

IV. Program Narratives

IV.A. Geographic Targeting and Distribution

For FY 2005, the Department will continue to target its funding to address the demographic changes and needs identified in the 2000 Census, in the Administration's development priorities as identified in the Mayor's City-Wide Strategic Plan, and through DHCD's Needs Assessment Hearings. Through its city-wide citizen participation process, the District's Administration identified 13 areas for targeted investment. These remain priority areas for 2005.³

Table 11: District Areas for Targeted Investment

1. Anacostia	8. Ivy City / Trinidad
2. Bellevue	9. Minnesota / Benning
3. Columbia Heights	10. Near Southeast
4. Congress Heights	11. Pennsylvania Avenue / Fairlawn
5. Georgia Avenue, N.W.**	12. Shaw
6. H Street, N.E.	13. Takoma*
7. Howard University / LeDroit Park	

*Takoma Park is not a CDBG-eligible area because of higher area incomes.

The rationale for prioritizing investment in these areas is that these areas meet the characteristics of the priority areas outlined in the District's FY 2001-2005 Consolidated Strategic Plan, which targeted investment to:

- Capital Communities, where crime, vacant housing and the absence of retail, educational and social enrichment opportunities require long-term sustained investment;
- Emerging Growth Communities, where development momentum has been established, but where further periodic investment is needed, and where existing residents need housing assistance to prevent dislocation;
- Neighborhoods abutting government centers, Metro stations and Convention Center;
- Neighborhoods in which there is a dense concentration of tax-delinquent, vacant, abandoned and underutilized housing and commercial facilities; and
- Gateways to the city – their first impression sets the tone for visitors' interaction with the city.

The District of Columbia is also targeting activities from all agencies into a concerted initiative to increase public safety and reduce crime in fourteen "hot spots". Many identified areas overlap DHCD's target areas. The hot spots are based on Metropolitan Police Districts and are as follows: First District: Sursum Corda and 1st Street-M Street, SW; Third District: 14th Street NW and North Capitol St.; Fourth District: Columbia Rd, NW, Georgia Ave. NW, Shepherd St. NW; Fifth District: Benning Rd. NE and W. Virginia Ave. NE; Sixth District: 50th Street NE and Clay Terrace NE; and Seventh District: Elvans Rd. SE, Valley Ave. SE, and Yuma St. SE.

³ Note that for the purposes of describing its investments and activities, DHCD cannot identify the exact location of activities to be undertaken, but specifies the target area (in compliance with HUD guidelines); DHCD will not have made its development awards for FY 2005 funding prior to the first quarter of the fiscal year.

The targeting of investment to these areas is particularly anticipated to result in an increase in affordable housing opportunities for households that have experienced the pressure of rising housing costs. It also will leverage private investment to ensure that neighborhood-serving commercial opportunities and community facilities/services are created and maintained. (For DHCD example, see page 53) Moreover, in the case of Ivy City, Minnesota/Benning and Congress Heights, where housing stock is particularly old and in poor condition, the District has targeted its Lead-Based Paint Outreach Grant to these neighborhoods to address lead-based paint hazards.

Appendix C contains a map of target areas and a list of census tracts with their minority concentrations. Examples of projects in targeted areas include Special Needs (transitional) housing in census tract 75.4, in Ward 8; senior housing in tract 30 in Ward 1; and a homeownership condo project in tract 37 in Ward 1.

In addition to these target areas, there also are two Neighborhood Revitalization Strategy Areas (NRSA): Georgia Avenue and Carver Terrace/Langston Terrace/Ivy City/Trinidad. These are described in the “Neighborhood Revitalization Strategy Area” section of this Plan on page 88.

IV.B. Homeless and Other Special Needs Activities

This section is divided into two parts. The first discusses the activities the District will undertake to serve its homeless population. The second focuses on the activities the District will undertake for non-homeless special needs population – specifically, those living with HIV/AIDS.

Emergency Shelter Grant (ESG) Program Management—Homeless Support and Prevention:

The District’s current homeless and homeless special needs’ housing efforts are coordinated and managed by the Community Partnership for the Prevention of Homelessness (The Partnership). In FY 2002, DHCD transferred administration of the ESG grant to the Office of the Deputy Mayor for Children, Youth, Families and Elders in order to leverage all available resources for homeless services within the Human Services cluster of agencies. The Partnership serves as the lead agency for homeless Continuum of Care under a 5-year grant (FY 2000-FY 20004) from the Department of Human Services (DHS) to address the needs of the District’s dependent population, including the homeless and other special need populations (e.g., the frail elderly, chronically mentally ill, drug and alcohol abusers, and persons with AIDS/HIV).

The District/Partnership-managed Continuum of Care for homeless persons provides the following capacities of shelter and supportive services:

Prevention	Transitional shelter and housing
Van outreach and transportation to shelter	Emergency shelter
A 24-hour, 1-800 SHELTER hotline	Permanent supportive housing, and
A Special Outreach Program to bring people off the streets directly into housing	Stand-alone supportive services such as employment, daycare and health services

The Partnership, with the approval of the Office of the Deputy Mayor for Children, Youth, Families and Elders determines annually which services will be funded with the ESG Grant to address the

most pressing needs. The District will provide an estimated \$20,783,137 match in cash and fair market value of free shelter rent. The Tables on pages 50-55 describe each of DHCD's federally-funded programs in the area.

IV.B.1. Homelessness (91.215 (c))

(See Appendix D for full text on Homeless Services)

1. Describe the jurisdiction's strategy for helping low-income families avoid becoming homeless.

The District of Columbia's strategy for helping low-income families avoid homelessness includes:

- a. The implementation of the DC Emergency Assistance Funds that offers assistance to avoid displacement,
- b. Family Support Collaboratives across the city that offer not only emergency assistance, but also counseling and identification of programs that support and assist families,
- c. The Strong Families Initiative that assesses and counsels families in crisis and offers emergency assistance,
- d. The Virginia Williams Family Center that assesses and counsels displaced families and finds them immediate shelter,
- e. DC Village Homelessness Assistance Center ("HAC") that offers emergency shelter and counseling – most often placing families in transitional or supportive housing within 30-60 days, and the
- f. Hypothermia Shelter for families on the campus of DC General Hospital.

2. Describe how the jurisdiction will reach out to homeless persons and address their individual needs.

The District of Columbia implements several outreach programs through its sub-recipient, the Community Partnership for the Prevention of Homelessness. These include:

- a. The Shelter Hotline, available 24 hours a day during hypothermia season and 16 hours a day at other times to answer calls from homeless people seeking shelter. The number is widely disseminated and responds to approximately 20,000 calls per year.
- b. The van outreach not only picks up individuals who call into the Hotline, but also makes rounds to check on street homeless persons. It logs approximately 10,000 shelter trips per year.
- c. Outreach teams are funded through the Partnership in eight areas of the city to engage homeless people in the streets in order to connect them to services, shelter and housing. These are First 7th Day Adventist Church, Neighbors Consejo, Georgetown Ministries, Community Council for the Homeless at Friendship Place, Rachel's Women's Center, Downtown BID Service Center, Salvation Army Grate Patrol, DC Central Kitchen First Helping Program and Unity Health Care.
- d. The Department of Mental Health also sponsors outreach programs, the Comprehensive Psychiatric Emergency Program (CPEP), three Mobile Community Outreach Treatment Teams, two Homeless Service Teams, and a downtown drop-in center for the mentally ill.

3. Address the emergency shelter and transitional housing needs of homeless persons.

Individuals

Example	Emergency Shelter	100	40	26
Beds	Emergency Shelter	2,081	0	250
	Transitional Housing	1,142	0	75
	Permanent Supportive Housing	1,395	238	1,762
	Total	4,618	238	2,087

Persons in Families With Children

Beds	Emergency Shelter	790	0	330
	Transitional Housing	1,483	56	545
	Permanent Supportive Housing	1,116	0	3,300
	Total	3,389	56	4,175

Shelter provided in FY 2002 by the public and private Continuum of Care indicates that at least 13.2% and as many as 15% of the District's poor experienced being homeless over the course of a year. Comparing annual numbers over several years can reveal trends in demand for and usage of the Continuum of Care.

In one year's time, at least 1 in 8 of all District residents living in poverty was homeless at some time or living within a homeless Continuum of Care facility.

The homeless problem can be measured not just as a percent of people in poverty, but also as a percent of all District citizens. The 15,200 estimate of persons who experienced homelessness in FY 2002 translates to 2.7% of the District's total population of 571,822. The 17,340 estimated figure is 3.0% of the total population.

In FY 2002 at least 1 out of every 37 District citizens, and as many as 1 in 33, was homeless and/or resided in a homeless Continuum of Care facility at some time.

Trends: Given the context of extensive poverty and the increasing difficulty of finding affordable housing, the Continuum of Care constantly struggles to keep up with the needs. Data from Community Partnership program reports since 1996 show the following trends:

- **The number of persons living in the streets at any point in time has fallen** from an estimated 1,800 persons in 1993 to an estimated 500 persons in FY 2003. In the winter months, due to increased "hypothermia shelter" beds, this number falls to about 100 persons.
- **Homelessness among adults has been rising:** The number of homeless men served by public continuum of care programs rose 9% between 2001 and 2002 while the number of homeless women rose by 22% in that period.
- **After dropping for three years, demand for family shelter rose between 2000 and 2002.** The annual demand from families seeking shelter fell almost one-third from 1,406 families in 1996 to 962 families in 1999. However, it rose in 2000 to 1,276 families who sought emergency shelter and to 2,278 families in 2001, then rose again in 2002 to 2,613 families. Overall the demand for family shelter was 172% higher in 2002 than it was at its low point in 1999.

4. Describe how the jurisdiction will assist homeless persons to make the transition to permanent housing and independent living:

The District's strategy to end homelessness includes the following:

- 1) Creation of 6,000 units of affordable housing over the next ten years through a collaboration between District Government and institutional funders. This collaboration will produce 3,000 SRO units for individuals, and 3,000 units of affordable housing for low-income families.

The Plan aims to ensure that 2,000 of the SRO units will be service-enriched supportive housing to bring inside the estimated 1,200 chronically homeless as well as another 800 adults who are episodically homeless.

The remaining 1,000 units of affordable SRO housing will help extremely low-income, non-disabled adults to stay out of shelters.

- 2) Full integration of mainstream public services and funding:
Legislation currently before the City Council will establish an Interagency Council to coordinate and integrate mainstream city and federal services for the homeless.

5. Describe the jurisdiction's Continuum of Care:

The District's Continuum of Care begins with prevention and outreach and includes:

- Emergency Shelter
- Transitional Housing
- Permanent Supportive Housing
- Support Services

6. Describe the nature and extent of homelessness by racial and ethnic groups, to the extent that the information is available. (91.205(c))

Subpopulations and special needs

Subpopulations of Homeless	Individuals	Persons in Families*
Chronic Substance Abusers (CSA)	36.0%	28.0%
Seriously Mentally Ill (SMI)	19.0%	12.0%
Dually Diagnosed (CSA/SMI)	16.0%	13.0%
Veterans	20.0%	33.0% (of men)
Persons living with HIV/AIDS	12.0%	12.0%
Domestic Violence Victims	19.0%	55.0%
Unaccompanied Youth (16-21 years)	2.6%	na
African-American	80%	98%
Caucasian and other	10%	2%
Latino	10%	10%
* primarily applies to adults, but children are affected as well		

Source: The Community Partnership for the Prevention of Homelessness

The homeless population is comprised of numerous subpopulations with special service and housing needs and/or suffering with various disabilities. Drawing upon a point-in-time survey of homeless clients conducted on January 22, 2003 and upon national data, the table above indicates the estimated percentages of individuals (adults and unaccompanied youth) and persons in families who are fall into subpopulations with special needs.

7. Describe the process for awarding grants to State recipients, and a description of how the allocation will be made available to units of local government.

The Department of Housing and Community Development transferred administration of the Emergency Shelter Grant to the Office of the Deputy Mayor for Children, Youth, Families and Elders, so as to support the leverage of all available resources for homeless services within the Human Services cluster of agencies. The Community Partnership for the Prevention of Homelessness (“the Partnership”) serves as the lead agency for the local HUD-funded Continuum of Care for Homeless City Residents.

The Partnership, in turn, utilizes three categories of procurement to establish or expand new services:

1. Open Competition is the most frequently used method. The Partnership issues Requests for Proposals (RFPs) for desired services. The RFPs define in detail the services required. Draft RFPs are reviewed in a public conference prior to the issuance of a final RFP in order to insure maximum understanding and participation by potential providers. The Partnership accepts competitive applications from any interested organization. Applications submitted in response to RFPs are evaluated and ranked, according to the ranking criteria outlined in the RFP, by panels of three to five persons consisting of Partnership Board members and outside reviewers who have been determined to have no personal or financial interest in the provision of services under the various programs to be funded. The review panel makes recommended selection of awardees to the Partnership’s Executive Director who, in consultation with the Board, is responsible for determining which proposals shall be funded.
2. Limited Competition is used to competitively bid within a limited pool of qualified providers. The basic criteria for inclusion in such a procurement include long standing and unique experience, capacity to implement a special project for a limited period of time, and/or capacity to provide a unique and specialized service under extenuating circumstances.
3. Sole Source Contracts are used primarily for interim contracts for projects that may be subject to an open competition at a later date; collaborative agreements with substantively qualified agencies that can advance a particular initiative; or personal services and consultant contracts to achieve limited objectives.

Annual submissions to the US Department of Housing and Urban Development (HUD) for Continuum of Care funding utilize the open competition method of procurement. A broadcast fax is sent to more than 125 programs and city leaders offering services to the homeless announcing the availability of HUD funding. A letter of intent to apply is requested from all entities interested in submitting an application. Several meetings are held to discuss process. The following objective criteria have been established for use by the Priority Review Committee in ranking applications:

Performance on achieving past measurable objectives
Demonstrable and credible outcomes
Leveraging
Cost Effectiveness
Location in EC/EZ Communities
Project readiness
Access to mainstream services for clients

IV.B.2. Non-Homeless Special Needs

Housing for Persons With Aids (HOPWA)

1. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA (91.215(a)(1)) and the basis for assigning the priority (including the relative priority, where required) given to each category of priority needs (91.215(a)(2).

Within the EMSA, the District of Columbia allocates funding through its Administrative Agencies fore Suburban Maryland, Northern Virginia and West Virginia. Based upon reported HIV/AIDS cases, trend analysis and community input, these Agencies determine the appropriate level of support and priority for their allocating HOPWA investments geographically. In the District of Columbia, every effort is made to prioritize the Wards with the highest reported incidences of HIV/AIDS infection and direct funding to organizations serving those specific Wards. Relative priority needs in the District of Columbia include women with and without children and youth.

Additionally, by use priority, HOPWA funds: 1) rental assistance through qualified HIV/AIDS service agencies, 2) supportive housing for low-income HIV-infected and affected individuals and families in need of emergency or transitional housing, 3) housing information, resource identification, and outreach programs, and 4) other existing support service facilities that enhance the quality of life for persons infected and affected by HIF/AIDS.

2. Describe the method of selecting project sponsors

The District of Columbia distributes its HOPWA funding through a competitive application process administered by a neutral third party. A complete application must be submitted to the Department of Health, HIV/AIDS Administration (DC- DOH, HAA) OR THEIR THIRD PARTY REVIEW DESIGNEE. All required forms/documentation must be submitted with the application in original form with original signatures. Incomplete applications are not accepted nor are applications submitted after the stated time.

Grantees that score high, based upon the selection criteria, are awarded HOPWA program funds. The District of Columbia utilizes its HOPWA funds to support emergency housing, support housing, transitional housing, housing for recovering substance abusers, short term utility, rent, and mortgage assistance, and tenant-based rental assistance. Additionally, HOPWA funds are distributed for supportive services such as job/empowerment training, multi-service day treatment services, housing information resource and referral and building the capacity of housing providers.

IV.B.3. General Discussion

1. Identify any obstacles to meeting underserved needs (91.215(a)(3)).

As indicated in earlier sections of this document, the housing market itself has had and continues to have a negative impact on availability of affordable units for rent or purchase, even with public subsidies. Because of renewed interest in “city living”, competition for housing units, even in areas where this was not previously the case, has reduced the number and increased the price of any available units. The expiration of Section 8 housing subsidies has exacerbated the problem as owners sell their properties for market-rate housing. Given the limited geographic area of the District of Columbia and its urban, built-up character, there are few large tracts for any substantial housing expansion.

2. Describe Efforts to Address Obstacles to Meeting Underserved Needs and Fostering and Maintaining Affordable Housing

The District’s efforts to assist other non-homeless special needs populations, such as the elderly and persons with disabilities, are managed through DHCD’s Affordable Housing/Real Estate Development program activities and Homeownership and Home Rehabilitation Activities (specifically, the Handicapped Accessibility Improvement Program under the Single Family Residential Rehabilitation Program). Under these program areas, the Department provides financing for new construction and home rehabilitation in response to viable applications for assistance.

DHCD is working to improve its various programs to better meet underserved needs. The Housing Production Trust Fund was one response to underserved needs: the Housing Act of 2002 requires that at least 40 percent of the funds benefit households at 30 percent of area median income, and at least 40 percent of the funds benefit households at 50 percent of area median income.

DHCD also has made a number of improvements to its Home Purchase Assistance Program (HPAP) to increase the reach of this vital tool for increasing lower-income households’ opportunities to become homeowners. Responding to the current challenges in the real estate market, the Department has recommended to the Council of the District of Columbia changes to HPAP that are designed to further assist first-time homebuyers with down payment and closing cost assistance. The amendments proposed include increasing the maximum down payment and closing cost assistance limits for very-low and low-income borrowers, while at the same time deferring repayments on HPAP loans for the first five years following home purchase for low and moderate-income HPAP borrowers. (The five-year deferment was already in place for very-low income borrowers). These enhancements will serve to increase the purchasing power of our HPAP-eligible borrowers, a critical need in the District’s current market situation in which median house sale prices have increased by 87% in just the past three years.

DHCD offers rehabilitation loans/grant to owner/occupants of single-family homes in order to prevent dislocation due to market pricing pressures and to ensure that residents continue to live in decent, safe housing that meets the provisions of the DC Housing Code. To meet special needs, up to \$10,000 of assistance is automatically deferred for senior citizens, and the first \$10,000 of assistance for handicapped accessibility improvements is provided as a grant.

To assist in preventing tenant dislocation, DHCD offers a First Right To Purchase and a Tenant Purchase Assistance Programs which provide technical assistance, counseling and loans/grants to tenant organizations to enable them to exercise their right to purchase a building (which is offered for sale by the owner) for apartment ownership by tenants. Additionally, in FY 2005, DHCD will initiate a Neighborhood-Based program to provide pro-active counseling and assistance to tenants in buildings where Section 8 Subsidies are due to expire within a year.

On the housing development side, the Development Finance Division's FY 2005 Request for Proposals will solicit proposals that address these housing and community development needs:

10. Preservation of Expiring, Federally Subsidized, Affordable Rental Housing
11. Special Needs Housing
12. Elderly Housing
13. New Construction of Affordable Rental or For-Sale Housing
14. Substantial Rehabilitation of Affordable Rental or For-Sale Housing
15. Community Facilities

Priorities:

DHCD gives priority, in its funding process, to the following types of projects and target areas:

- Projects in one of the 13 strategic neighborhood investment areas and two NRSAs,
- Preservation of affordable housing for very-low and extremely-low-income households in buildings with expiring federal subsidies,
- Homeownership projects,
- Affordable rental housing development for extremely low-income households,
- Commercial and Community facilities that serve low-income communities, and
- Façade projects and commercial/retail building development in strategic investment areas or that leverage resources committed through the ReStore DC initiative

The Department's public outreach strategy is another component for addressing obstacles to meeting underserved needs. Often, populations are underserved because they are not fully aware of the assistance available to them. The Department's Office of Strategy and Communications (OSC) will continue to emphasize expanded marketing of DHCD's programs and projects and ensuring that all segments of the community are aware of, and take advantage of the various home ownership opportunities available.

DHCD's outreach and communications strategy includes:

- Meeting regularly with constituents and stakeholders in seminars, workshops and brown bag luncheons,
- Communicating with the media through press advisories and/or press releases on DHCD's strategies, programs, projects and accomplishments,
- Marketing projects funded by DHCD by staging events such as: ground breakings, ribbon cuttings, and contract signings, and

- Informing stakeholders and the public by producing and distributing brochures and other printed materials as well as a promotional video, "DHCD, The Product, The People, The Community", that promotes the projects, programs, and satisfied clients of DHCD.

In FY 2005, the Department's outreach plans include:

- Updating and expanding its outreach database to ensure maximizing outreach to all residents of the District of Columbia,
- Continuing expansion of the "DHCD's Ambassadors' Program", by building partnerships with various stakeholders through a series of one-day tours of DHCD projects to highlight the Department's accomplishments, and through presentations at ANCs, community, and civic associations,
- Increasing solicitation of input from other stakeholders (financial institutions, community organizations, developers, etc.) to determine the need for home ownership and community and economic development initiatives in under-served communities to help stabilize and revitalize those neighborhoods, and
- Conducting public hearings throughout the year to solicit citizen participation in the development of the Department's annual action plan, programs and the budget process and to engage discussion on DHCD's performance.

3. Describe Efforts to Remove Barriers to Affordable Housing – Fair Housing

The Council of the District of Columbia continually considers tax policies that will remove barriers to affordable housing. In the past fiscal year, the Council passed a property tax bill that will both increase the "Homestead deduction" for home values and limit the allowable annual increase in property taxes. The effect of this bill will be to allow households to increase the amount of home value that is not subject to tax – a great boon for lower-income households whose property values have not increased. It also will prevent lower-income households in areas of rapidly-escalating values from facing massive property tax increases.

Like many cities, however, one of the barriers to affordable housing comes from barriers to equal access. The District of Columbia has made progress in overcoming the effects of the impediments identified through the *Regional Analysis of Impediments to Fair Housing*, which formed the basis for DC's fair housing initiatives under the Five-Year Consolidated Action Plan (2001-2005).

The Department has an active Fair Housing Program within the office of Program Monitoring which oversees the Department's adherence to federal and local fair housing and equal opportunity laws and regulations as well as providing education and outreach on fair housing to all District residents. For the past three years, the Department has ensured that its funding awards are in compliance with FHEO regulations, in addition to ensuring its sub-recipients are well aware of the FHEO obligations under DHCD/federal funding. These activities include:

- Continuing to promote fair housing education and participation in activities which further fair housing outreach to under-served communities. To comply with federal regulations and to

ensure program accessibility to communities with Limited English Proficiency (LEP), the Department will continue to provide program materials in Spanish, Vietnamese and Chinese and continue outreach to these communities.

- Working in concert with HUD's FHEO office and private non-profit civil rights organizations to provide fair housing training sessions for 1) sub-recipients, 2) DHCD program and project managers who manage sub-recipient grants to community based organizations, 3) developers, and 4) community development corporations.
- Preparing a Fair Housing Symposium for Fair Housing Month in April 2004 in collaboration with the DC Office of Human Rights and the Equal Rights Center, a regional fair housing non-profit organization.
- Continuing to monitor all its sub-recipients to ensure compliance with fair housing and equal opportunity laws and regulations as well as to be available as a resource for constituents, and service providers.
- Using the recently received award to execute in FY 2005 the FY 2003 Fair Housing Initiatives Program (FHIP) Education and Outreach Initiative (EOI) Homeownership Component. This twelve-month funding was provided to DHCD in partnership with Housing Counseling Services, Inc. (HCS)

Finally, DHCD management has met with and will continue to meet with representatives of the city's various special needs housing advocacy groups (e.g., groups representing individuals with chronic mental illness, needs related to substance abuse, physical challenges, the elderly, etc.), to better determine how DHCD may meet those populations' needs. Strategies will include enhanced enforcement of fair housing requirements, but also will be reflected in targeted funding for special needs housing in the DHCD competitive funding RFP process.

4. Describe Efforts to Address Lead-Based Paint Hazards

DHCD has revised its Homestead, Single-Family and Multi-family-Residential Rehabilitation program policies and processes for implementing the Lead-Safe Housing Rule.(24 CFR 35) Implementing DHCD's adaptation of the Lead-Safe Housing Rule involves approving and/or monitoring the full range of lead-hazard reduction activities, e.g., disclosure verification, risk assessment completion, lead scope-of-work, construction inspection and verification of clearance. Once clearing testing is complete, the D.C. Department of Health (DOH) reviews the particular project and issues a Certification of Lead-Based Paint Compliance to the property owner. DHCD has developed a partnership with the DC Department of Health and our Department's housing partners for implementation of the Rule.

At the end of FY 2003, DHCD received both a Lead Hazard Control Grant and a Lead Hazard Reduction Demonstration Grant, for a combined total of \$4,997,743, from the HUD Office of Healthy Homes and Lead Hazard Control. DHCD will target the Lead Hazard Control Grant for use in the Ivy City/Trinidad, Marshall Heights/Deanwood, and Congress Heights neighborhoods, which evidence some of the District's greatest housing need among pre-1978 units. DHCD will target the Lead Hazard Reduction Demonstration Grant for the thirteen target areas listed on page 74 and the three above neighborhoods, where there are high quantities of pre-1940 child occupied housing. Services will include lead hazard control, lead inspections and risk assessments, outreach and education, compliance and legal enforcement of lead-safe housing requirements, and job

training and economic development related to the reduction and abatement of lead hazards. DHCD is currently revising its Single-Family and Multi-Family Residential Rehabilitation program policies and processes for implementing the two Lead Grants. On February 12, 2004, DHCD hosted a Lead-Safe-Washington Industry Conference to bring the rehabilitation and lead companies up to date on DC law for lead-based paint and to introduce them to the two HUD lead grants.

5. Describe Efforts to Reduce the Number of Poverty-Level Families

The District of Columbia's FY 2005 actions in support of its anti-poverty strategy are primarily focused within the Human Services Cluster and Department of Employment Services. However, DHCD's efforts to reduce the number of poverty-level families include the expansion of affordable housing (including support for HOPE VI projects of the DC Housing Authority), support for economic development programs; creation of local jobs through its funded development projects and support of community-based organizations through its Neighborhood Investments program area. Services such as neighborhood-based technical assistance to small businesses help retain and expand local businesses which are a generator of local jobs. Housing Counseling Services, not only assist families to locate housing, but also to understand budgeting, mortgages, how to avoid default and to manage a home. Homeownership programs assist tenants to become owners of their apartment units through the Tenant Apartment Purchase Program, and assist first-time ownership with loans/grants for down payments and closing costs through the Home Purchase Assistance Program (HPAP).

6. Describe Enhancements to Coordination with Public and Private Housing and Social Service Agencies

To leverage public resources and to coordinate strategies, DHCD works closely and cooperatively with other DC agencies, for example: coordinating employment and training opportunities in DHCD development areas with the DC Department of Employment Services; coordinating support for and placement of senior housing with the DC Office on Aging; supporting infrastructure and demolition in conjunction with the DC Housing Authority to support its HOPE VI mixed-income housing developments; and coordinating with the Department of Public Works on infrastructure development and improvements in areas of DHCD-supported housing development. The ESG program is administered within the Office of the Deputy Mayor for Children, Youth, Families and Elders to bring social service and housing funding together for the greatest leverage in services to homeless populations.

One continuing example of a specific area for an interagency development initiative and coordination is the Southeast DC Bellevue Neighborhood, East of the Anacostia River. The revitalization initiative has included strategies to expand homeownership, develop affordable housing, and to reduce blight and unsafe conditions. DHCD has formed and is working with the Bellevue Advisory Committee, made of up residents, Advisory Neighborhood Commissioners, stakeholders, private-sector interests and DC government agencies to develop a focused plan starting with Forrester Street, SW; Galveston Street, SW; Halley Terrace, SE and Danbury Street, SE.

During 2003, the Department started renewal efforts in Bellevue by providing demolition funding for the developer associated with redevelopment of the Old Chadwick Apartments on Danbury Street as 119 homeownership townhouses. The Department has also contracted with the

Department of Transportation to make streetscape improvements in the Bellevue area, and is completing negotiations with property owners on Forrester Street, Galveston Street and Halley Terrace to acquire various vacant, deteriorated properties for redevelopment.

Regional cooperation is also essential for the long-term availability of affordable housing and employment opportunities. Through the Greater Washington Council of Governments (COG) cooperative initiatives are developed to assist the three participating jurisdictions.

7. Describe Program Monitoring and Improvement Efforts

In order to accomplish DHCD's priority activities, DHCD must be able to process eligible transactions quickly and cost effectively. Therefore, two prime objectives are to (1) move housing and commercial development transactions through the agency's pipeline more expeditiously; and (2) create procedures, systems and accountability standards that will firmly establish the Department as the city's principal development vehicle for improving District neighborhoods.

These prime departmental objectives will be accomplished by focusing efforts on the fundamental basics of community development – evaluating and underwriting development proposals based on the strength of the organizations' capacity, financial underpinnings and the flow of public benefits to the residents that DHCD is obligated to serve.

In FY 2005, DHCD will continue its program and sub-recipient monitoring activities which includes:

1. conducting monitoring reviews of its Development Finance Division Project Financing, Neighborhood Based Activities, and Emergency Shelter Grant programs,
2. continuing to perform environmental reviews and project-specific labor standards monitoring,
3. conducting long-term monitoring reviews for HOME- and Low Income Housing Tax Credit- (LIHTC)-funded projects,
4. conducting follow-up reviews to ensure that corrective actions for audit report recommendations have been implemented, and
5. monitoring the Department's spending and commitment requirements in accordance with the funding sources.

The Department will continue to monitor its activities through ongoing communications with sub-grantees and site visits to their programs. Activities will also be monitored through periodic, but systematic, tracking of performance through the Housing Development Software (HDS) and HUD's Integrated Disbursement and Information System (IDIS). HDS will be improved to provide an automated and integrated mechanism for recording and reporting the results of site visits. IDIS gives the Department the capability to assess progress of individual projects, as well as each major HUD-funded program as a whole. As the HDS software becomes fully operational, by linking budget, performance measures, and program delivery, DHCD will be able to effectively monitor its progress in carrying out the strategic plans contained in this Action Plan for FY 2005.

DHCD will produce a self-evaluation of its annual performance in relation to meeting priorities and specific objectives in the form of a Consolidated Annual Performance and Evaluation Report (CAPER). The CAPER provides a summary of the programmatic accomplishments for projects reported under the IDIS, as well as additional narratives describing program milestones and

accomplishments. The CAPER must be filed with HUD within 90 days (December 30) after the close of DHCD's program year.

8. Describe Coordination to Address Public Housing Needs

DHCD is supporting public housing through its support of the HOPE VI program administered by the DC Housing Authority (DCHA). In FY 2004, DHCD continued to implement the \$10 million financial assistance provided in FY 2003 to two DCHA projects: 1) The Henson Ridge HOPE VI (\$3 million) and the Capitol Gateway Estates (formerly New East Capitol) HOPE VI (\$7 million). The funds are being used to fund both pre-development and infrastructure improvement costs. DHCD continued to support the Capitol Gateway Estates HOPE VI by allocating \$789,666 of Low Income Housing Tax Credits to the construction of the new Senior Building with 151 units. During 2004, DHCD also agreed to a DCHA request to shift \$2 million of the Henson ridge assistance dollars no longer needed on the project to the Arthur Capper/Carrollsborg HOPE VI where it is needed for infrastructure construction costs.

In 2005, DHCD will continue to work cooperatively in supporting HOPE VI, committing nearly \$5 million for assistance (\$2 million in Capitol Funds, \$3 million of some combination of federal grant and local Housing Production Trust Fund monies.) DHCD has requested \$1 million in FY 2005 CIP funds to support Arthur Capper/Carrollsborg HOPE VI infrastructure construction. DHCD circulates its Action Plan drafts to the DC Housing Agency for comment and coordination, and also includes Public Housing Resident Councils in its mailing lists for hearings and comment.

V. Program-Specific Requirements

V.A. Community Development Block Grant

The proposed uses of DHCD's budgeted CDBG funds, including program income and other funds, are described in the Use of Funds Section, starting on page 35. As noted in Section III (page 31) of this Action Plan, DHCD anticipates receiving \$8,950,000 in program income during FY 2005, all from loan repayments and proceeds of sales or leases of property. While the District is examining the feasibility of a float-funded loan program, we have no concrete plans to initiate this activity at this time. The Department does not anticipate any urgent need activities at present.

The process by which DHCD makes CDBG funds available is described on page 36. Individuals, for-profit and nonprofit organizations are eligible to apply for these funds provided that they meet all HUD program-specific requirements regarding income eligibility, Conflict of Interest, use of debarred or suspended contractors, and other administrative requirements, and are not delinquent on liabilities to the District government or in other material violation of District requirements.

V.B. HOME Program

The following text addresses specific requirements of the Consolidated Planning process for the HOME Program.

Forms of Investment: All proposed uses of HOME funds are described in The Financial Uses Section of this Action Plan. The District's FY 2005 HOME funds will be invested as loans (amortizing or deferred) and grants only.

Homebuyer Provisions: When DHCD uses HOME funds for homeownership activities, it utilizes the recapture provision of the HOME Program pursuant to 24 CFR 92.254(a)(5)(ii)(A)(1). Specifically, DHCD has a written procedure specifying the recapture options used: 1) the Department will recapture the entire amount of the HOME investment from the homeowner if the homeowner sells the assisted property or otherwise fails to maintain it as his/her primary residence during the affordability period; or 2) the Department will reduce the HOME investment amount to be recaptured on a pre-rata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period. Moreover, DHCD includes the recapture requirement provision in the promissory note and deed of trust.

Refinancing: DHCD does not use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds.

Definition of Modest Housing: DHCD defines "modest housing" by following the method outlined in 24 CFR 92.254(a) (iii) for its homebuyer assistance and single family rehabilitation programs. Specifically, DHCD caps the allowable sales price or post-rehabilitation value at the Single Family Mortgage Limit under the Section 203(b) program, as permitted by 24 CFR 92.254 (a)(2)(iii). The limit for the District of Columbia is as follows:

House Size	1 family	2 family	3 family	4 family
203(b) Limit	\$269,800	\$303,880	\$369,200	\$426,000

These limits apply to one-to-four family units. DHCD does not presently finance manufactured housing. In addition DHCD applies the one-family limit to the sales price or post-rehabilitation value to define modest housing in the case of condominium or co-operative units. In doing so, DHCD cites the following:

94.254(a)(2)(iii): If a participating jurisdiction intends to use HOME funds for homebuyer assistance or for rehabilitation of owner-occupied single-family properties, the participating jurisdiction may use the Single Family Mortgage Limits under Section 203(b) of the National Housing Act (12 U.S.C. 1709(b) (which may be obtained from the HUD Field Office) or it may determine 95 percent of the median area purchase price for single family housing in the jurisdiction as follows....

DHCD uses the 203(b) limit rather than the 95 percent of the median area purchase price standard.

Although the above limit represents the regulatory maximum, DHCD recognizes that even a \$269,800 home is beyond the limit of most lower-income households. The Home Purchase Assistance Program typically helps households who are purchasing homes costing approximately \$120,000.

Affirmative Marketing: DHCD follows HUD's regulations as prescribed in the Affirmative Fair Housing Marketing Plan form (AFHMP) [HUD 935-2]. DHCD ensures that its grant sub-recipients complete and submit the AFHMP with accompanying information on residential housing projects of five units or more, whether these are located in one parcel or a scattered multifamily project. DHCD aims to ensure that prospective buyers or tenants of all racial and ethnic groups (minority and non-minority) in the housing market area, regardless of their protected basis, know about the housing projects(s), are attracted to the housing project, feel welcome to apply and have the opportunity to buy or rent. The AFHMP targets areas that have been subjected to housing discrimination based on one of the protected basis under the Fair Housing Act; persons not likely to apply for the housing without special outreach efforts due to self or forced segregation, linguistic isolation, neighborhood racial or ethnic composition and patterns, and location and price of housing.

Outreach to Minority- and Women-Owned Businesses: The District Government as a whole has an active program of contracting with and promoting Local, Small, and Disadvantaged Business Enterprises (LSDBEs), which include minority- and women-owned businesses. The District's Office of Local Business Development (OLBD) monitors the efficiency and compliance of all District government agencies, including DHCD, in accordance with the legislative mandate of the "Equal Opportunity for Local, Small, and Disadvantaged Business Enterprises (LSDBE) Act of 1998." OLBD reviews and approves Affirmative Action Plans submitted by District agencies for public/private partnerships and for contractors with contracts in excess \$25,000. It also provides technical assistance to LSDBEs that wish to contract, or currently contract, with the District government, and helps those entities with outreach.

DHCD's loan and grant agreements with developers require that the developers submit Affirmative Action Plans that set forth goals for the hiring of local, small and disadvantaged business enterprises and for hiring minorities and women for construction and non-construction jobs. The agreements also enforce Section 3 requirements and the requirements at 24 CFR 92.350.

VI. Special Initiatives

VI.A. Neighborhood Revitalization Strategy (NRSA)

VI.A.1. Georgia Avenue NRSA

DHCD submitted an application in 1999 to the U.S. Department of Housing and Urban Development to designate the Georgia Avenue Corridor as a Neighborhood Revitalization Strategy Area (NRSA). The purpose for submitting the application was to address the economic development needs of the corridor.

The Georgia Avenue Corridor is one of the major north-to-south transportation routes connecting Maryland to downtown D.C. The targeted area includes the 39 census blocks that abut Georgia Avenue from Florida Avenue, N.W. to Eastern Avenue, N.W. Portions of the lower end of the strategy area already qualified as an NRSA because of their federal designations as Enterprise Communities.

Development Strategies

The NRSA development strategies for the corridor include job creation, housing development, employment and entrepreneurial training and infrastructure development. A combination of projects and program activities has been identified in the NRSA supporting these four categories to serve as the core tools for revitalizing the Corridor.

The economic performance measures include creating 50 new jobs each year, opening one new job training center, creating 5 new businesses each year, and attracting 1 major employer each year. The housing performance goals include: increasing homeownership by 1%, rehabilitating 20 single-family houses and 20 multifamily properties during the designated period. The measures also include renovation of 2 community parks, installation of 50 historical markers, and improvements to the Gateway at Silver Spring.

Several goals have been achieved. These include infrastructure improvements, commercial facade improvements, completion of two recreation centers and the improvements to ballfields, improvements in small business development services delivered to corridor businesses, development of housing and renovation of apartment units and provision of housing counseling services. In FY 2005 DHCD will continue to employ similar strategies to revitalize the area. In its competitive process for project funding, the Department has identified several initiatives that it will focus on: commercial corridor and small business development activities, façade improvements, housing counseling, and support the development of a mix-use (commercial and housing) development project through land disposition. DHCD will continue to aggressively pursue viable proposals/projects for the area and work cooperatively with the Department of Parks and Recreation to complete the renovation of community parks and facilities, and the Department of Employment Services and Deputy Mayor for Planning and Economic Development to retain and attract businesses and jobs.

Job Training and Entrepreneurial Training

Working in conjunction with Community Development Corporations (CDC), the District of Columbia Chamber of Commerce opened the Georgia Avenue Business Access Center (now called the Georgia Avenue Business Resource Center) at 7408 Georgia Avenue in August 2000.

During 2004, DHCD will provide Community Development Block Grant (CDBG) funding to the Georgia Avenue Business Resource Center to carry out commercial corridor and small business development activities. Programs to be offered include the development of business plans, working with businesses to obtain their Master Business Licenses and become 8 (a) certified; attracting and recruiting new businesses to the corridor, providing business support and technical assistance services to new businesses and developing web pages for businesses.

Housing Development

DHCD has approved funding through its 2004 NOFA process to rehabilitate a 26-unit building at 6425 14th Street, NW. In addition, in 2005, DHCD proposes to transfer two commercial properties at 3813 and 3815 Georgia Avenue to the National Capitol Revitalization Corporation for a mixed use, housing and commercial development project. Approximately 100 units will be realized from this disposition.

Employment

The D.C. Department of Employment Services (DOES) is providing employment services to residents of the NRSA are from its One Stop Career Center located at 1500 Franklin Street NE. Since the inception of the NRSA designation, several new businesses have been established along the Georgia Avenue corridor. The Deputy Mayor for Planning and Economic Development continues to pursue major employers for this area.

Infrastructure Improvements

- *Commercial Facades:* DHCD is committed to completing 93 facades during FY 2004 and carrying over this activity into FY 2005 on Georgia Avenue stretching from the lower portions of the avenue up to the District-Maryland line.
- *Parks and Recreation Improvements:* During FY 2004 through FY 2005, the design and beginning stages of implementation of the renovation of the Banneker Recreation Center will be underway.

VI.A.2. Carver Terrace/Langston Terrace/Ivy City/Trinidad NRSA

DHCD applied to HUD for the designation of the Carver/Langston Terrace/Ivy City/Trinidad (CLTICT) communities as a Neighborhood Revitalization Strategy Area (NRSA) in August 2000. The CLTICT NRSA includes five census tracts defined by New York Avenue, Florida Avenue and Bladensburg Road, and includes Galludet University and the Farmer's Market, as well as major residential and light industrial developments.

The CLTICT NRSA development strategy includes job creation, housing development, employment and entrepreneurial training, and infrastructure development. A comprehensive set of projects and programs has been developed around these four areas to serve as the core tools for revitalizing the neighborhood.

The performance measures for job creation during FY2000-FY2005 are to create 25 new jobs each year and start 3 new businesses each year. Jobs created will help break the cycle of poverty, teach new skills and give residents the ability to buy and maintain their homes.

The performance measures for housing and community facilities development over the NRSA period are creation of affordable/mixed-income housing units for 600 families over five years; construction of one 80 slot day care center; construction of one birthing and well-care center for low income residents; and development of three computer learning centers.

In FY 2005 DHCD will continue to employ similar strategies to revitalize the area. In its competitive process for project funding, the Department has identified the following initiatives: housing development; home ownership initiatives; and residential lead-based paint hazard assessments.

Housing Development

MANNA Inc. was selected in the 2003 NOFA process to fund the rehabilitation of three Homestead Properties on Holbrook Street, NE in 2004. This project will produce 30 units of rehabilitated housing after completion. In addition, Carver Terrace apartments, a 312-unit project will receive Nine Hundred Eighty Five Thousand Dollars (\$985,000) in FY 2004 for acquisition cost.

Job Training, Employment and Entrepreneurial Training

The construction of the DC Developing Families Center (birthing center) was completed in 2000. The Center created 41 new permanent jobs. The Carver Terrace Health and Child Development Center was completed FY 2002. Services being offered include the operation of an 80-slot day-care center and a health center serving 500 neighborhood residents. Fourteen permanent jobs were created.

In addition, employment and entrepreneurial training performance measures included training 50 youth entrepreneurs and 100 community residents in housing construction and lead/asbestos abatement trades. The Youth Services Administration is building a training center, and working closely with the Ivy City Patriots (a community based organization) to enroll students. These or similar measures to establish a mechanism that will achieve the employment and entrepreneurial performance measures will be achieved through DHCD's continued negotiations and discussions with community development corporations and community stakeholder organizations. Also, the Carver Terrace Community Development Corporation continues to work with the D.C. Department of Employment Services to establish a job- training program.

Infrastructure Improvements

Infrastructure improvements performance measures include renovating two community parks in the next three years; planting a 1,000 street trees to replace missing or dead existing trees; renovating roadways at New York Avenue, Montana Avenue and other streets in the NRSA Area.

The District's Department of Transportation is undertaking a transportation study along the New York Avenue Corridor, which will have an impact on the NRSA. DDOT has budgeted out-year funds to renovate New York and Montana Avenues.

The city has created a major economic and transportation improvement by assisting to plan and fund a New York Avenue Metro Station at the western edge of the Area. This planning and funding for this station was developed through a unique public-private partnership. The station will assist DHCD in its strategy to increase jobs and businesses in the Area as well as improving the infrastructure for pedestrian, auto and rail access.

In FY 2005, DHCD will continue its cooperative efforts with the Department of Transportation and Department of Public Works to improve the Area environment. The Department will also work with the Office of Planning as they undertake new planning initiatives in cooperation with the community and stakeholders for the Georgia Avenue Corridor and the communities of Ivy City/Trinidad, Carver Terrace and Langston. DHCD will pursue projects that support the outcomes of the plans in the areas of housing and local business district revitalization.

VI.B. Section 108

- *Section 108 Loan Guaranty Program:* Provides a lower-cost, long-term financing option for CDBG eligible projects by pledging future Block Grant entitlements. The Office of the Deputy Mayor for Planning and Economic Development is intending to use the HUD Section 108 Loan Guarantee Program to finance several large economic development projects currently in the planning and implementation stages.

The Government of the District of Columbia is preparing two applications to the U.S. Department of Housing and Urban Development under the Section 108 Loan Guarantee Program:

In FY 2004:

1) The District Government will submit an Application to HUD requesting up to a \$56 million loan guarantee to assist the private development of a major retail shopping center, to be known as DC USA, an adjoining underground multi-level parking facility, and the funding of a neighborhood economic development program geared to both public space improvements and targeted assistance to small businesses in the Columbia Heights area. The developer, DC USA Operating Co. LLC, a New York limited liability company, will receive grant funding of \$43.5 Million for development of the parking garage and other costs. The District proposes to repay the loan through new tax revenues that DC USA will generate under the establishment of a new "Tax Increment Financing (TIF) District". If there are insufficient new tax revenues to pay the loan debt service, the District has pledged its future federal Community Development Block Grant (CDBG) funds for repayment over the 20-year loan., and

2) In FY 2004, the District Government will submit an Application to HUD requesting up to a \$27.965 million loan guarantee to provide financing for the redevelopment of a major retail shopping center, known as Skyland. The Skyland Project will be located at the intersection of Good Hope Road and Alabama Avenue, SE, in the Hillcrest neighborhood of Ward Seven. The District intends to make a loan for up to \$24.9 million of the available Section 108 proceeds to the National Capital Revitalization Corporation (NCRC), an instrumentality of the District of Columbia, to acquire land, relocate current tenants, demolish existing buildings, and complete environmental

remediation. Once NCRC has acquired lands, completed relocation and prepared the site, it will convey land to the proposed developer, consisting of the Rappaport Companies, Harrison-Malone Development, the Washington East Foundation, and Marshall Heights Community Development Organization. The District, if approved under the federal Community Development Block Grant (CDBG) regulations regarding the use of program income, intends to repay the Section 108 debt using NCRC proceeds from the sale of the Government Printing Office (GPO) site owned by a NCRC subsidiary, and if necessary from other sources provided by NCRC. If there are insufficient funds from the sale of the GPO site or from NCRC, the District has pledged its future CDBG funds for annual debt repayments over the 20-year loan period.

- *CDBG Float Loan Program:* Provides very-low-cost, short-term financing for CDBG-eligible projects by lending obligated, but unused CDBG entitlement. DHCD and the Office of the Deputy Mayor for Planning and Economic Development will coordinate the administration of any such loans, if this program is utilized in any given year.

All required Action Plan Amendment procedures will be followed for any 108 or Float Loan Program activity.

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APPENDIX A. SUMMARY OF CITIZEN PROCESS AND HEARING TESTIMONY

Citizens were encouraged to participate in the development of the *Consolidated Plan for the District of Columbia FY 2005 Action Plan*. DHCD undertook specific outreach efforts to inform District residents, particularly low- and moderate-income residents, and interested community-based organizations and development organizations about the programs included in the Consolidated Plan and to solicit their input in developing the Plan prior to its submission.

The Public is informed about the Consolidated Plan process through the *Citizen Participation Plan* and *Program Development Guidelines*. The *Guidelines* provide information on the programs included in the Consolidated Plan, approximations of program funding levels, and proposed scheduling. Copies of the Plan and Guidelines are made available at least 2 weeks prior to the public hearing at all public libraries, all Advisory Neighborhood Commission offices, selected community based organization offices, and DHCD headquarters. The Citizen Participation Plan is also available on DHCD's website.

During the Consolidated Plan's annual preparation cycle two types of public hearings are held: needs assessment hearings and proposed budget hearings. Three needs assessment public hearings were held in November 2003:

- November 12, 2003, 6:30 PM-8:30 PM at the Friendship Public Charter School, 4095 Minnesota Ave. NE. (Ward 7)
- November 13, 2003, 6:30 PM - 8:30 PM at the DC Housing Finance Agency, 815 Florida Ave. NW (Ward 1)
- November 18, 2003, 6:30 PM - 8:30 PM at the Department of Housing and Community Development, 801 North Capitol Street, NE (Ward 6)

Between the three hearings, DHCD kept a record of any additional testimony or input received.

The budget hearing took place on March 10, 2004 at the DHCD offices at 801 North Capitol Street, NE, 9th Floor Board Room, Washington, D.C. 20002.

Broad-based participation at the hearings is accommodated by providing sign language and Spanish language interpreters, as well by selecting sites convenient to METRO rail and bus service. Diverse attendance is promoted by placing hearing notices in various media sources, including the *Washington Post*, the *Afro-American*, *El Tiempo*, *The Blade*, and the *D.C. Register*. In addition, roughly 1,000 hearing notices are mailed to Advisory Neighborhood Commissioners, civic association officers, public housing resident associations and officials of community based organizations, churches, and other interested parties. Meeting notices are published and distributed at least 2 weeks prior to the public hearings.

Senior DHCD staff is present at the public hearings to take the direct testimony of witnesses on housing and community development needs in the city as well as on program performance in the current and prior years. Senior Staff members make direct referrals at the hearings, e.g. to the annual RFP process for funding, to other agencies or to DHCD divisions/staff to address a specific question. Court reporters are provided and a written transcript is produced.

Subsequently, taking into consideration analytical data and testimony presented by citizens, the senior staff proposes a consolidated program budget for the upcoming fiscal year. The proposed Action Plan and budget are revised and submitted by the Mayor to the City Council for approval. After review, a public hearing and approval by the City Council, the final proposed Action Plan and budget for FY 2005 are submitted to HUD by August 15, 2004.

Chronology of Events

EVENT	DATE
Public Hearing on “Housing and Community Development Needs in the District of Columbia”	November 12, 13 and 18, 2003
Publication of draft <i>proposed</i> “Consolidated Plan for the District of Columbia, Fiscal Year 2005 Action Plan	February 26, 2004
Public Hearing on Draft Proposed Consolidated Plan ’05 Action Plan	March 10, 2004
Mayor’s Submission of Proposed Consolidated Plan to the City Council	March 26 ,2004
Council Committee “Public Hearing on <i>Proposed</i> Consolidated Plan for FY 2005	May, 2004 (TBD by Council)
City Council “Approval Resolution” adopted	July 1or July 15, 2004
Submission of Consolidated Plan for the District of Columbia, Fiscal Year 2005 Application to HUD	August 15, 2004
Fiscal Year 2005 Grant Funds Available	October 1, 2004

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**

Notice of Public Hearings

**For the Purposes of Needs Assessment in Preparing
“The Consolidated Plan for the District of Columbia, Fiscal Year 2005 Action Plan”
and
“The Low Income Housing Tax Credit Qualified Allocation Plan”**

**Wednesday, November 12, 2003, Thursday, November 13, 2003 and
Tuesday, November 18, 2003 from 6:30 P.M. to 8:30 P.M.**

Mr. Stanley Jackson, Director, Department of Housing and Community Development (DHCD), announces three Public Needs Assessment Hearings in preparation of “*Draft Consolidated Plan for the District of Columbia Fiscal Year 2005 Action Plan*” and *for comment on the Low Income Housing Tax Credit Qualified Allocation Plan*. The hearings will begin at 6:30 p.m., at the sites designated below. The purpose of the hearings is to provide the public with an opportunity to express its views on the priority community needs to be addressed in the “Draft Consolidated Plan for the District of Columbia Fiscal Year 2005 Action Plan”, which will be submitted to the Council of the District of Columbia for approval prior to submission to the U.S. Department of Housing and Urban Development (HUD) for the following federal entitlement programs:

- **Community Development Block Grant Program**
- **HOME Investment Partnerships Program**
- **Emergency Shelter Grant Program**
- **Housing Opportunities for Persons with AIDS Program (HOPWA)**
- **Low Income Housing Tax Credit Qualified Allocation Plan**

The Needs Assessment Hearings will take place at the following times and locations:

Wednesday, November 12, 2003	Thursday, November 13, 2003	Tuesday, November 18, 2003
6:30-8:30 PM	6:30-8:30 PM	6:30-8:30 PM
Friendship Public Charter School	D.C. Housing Finance Agency	Department of Housing and
4095 Minnesota Avenue, N.E.	815 Florida Avenue, N.W.	Community Development
Collegiate Academy Auditorium	Auditorium	801 North Capitol Street, N.E.
(School is directly across from the	(2 blocks East of the U St., African	9th Floor Board Room
Minnesota Avenue Metro station).	American Civil War Memorial/Cardoza	(2 1/2 blocks from the Union Station
	Metro Station and 2 1/2 blocks North	Metro Station)
	West of the 7 th St., Shaw/Howard	
	University Metro Station)	

Public Hearings are conducted in accordance with the Citizen Participation Plan for the District of Columbia Consolidated Plan. Copies of the Citizen Participation Plan and the Low Income Housing Tax Credit Qualified Allocation Plan will be available at 801 North Capitol Street, N.E., 8th floor receptionist desk on Monday, October 20, 2003. If you wish to present oral testimony at the hearings, contact Ms. Pamela Hillsman, Community Development Resource Specialist, at (202) 442-7256, not later than close of business Friday, November 7, 2003. Please provide your name, address, telephone number, and organizational affiliation, if any. For Telecommunications Device for the Deaf (TDD) relay service, call (800) 201-7165. A sign language interpreter and Spanish translation services will be provided. Written statements may be submitted for the record at the hearing or until close of business Tuesday, December 2, 2003. Written statements may be mailed to: Mr. Stanley Jackson, Director, Department of Housing and Community Development, Attention: Office of Strategy and Communications, 801 North Capitol Street, NE, Washington, D.C. 20002.



Anthony A. Williams, Mayor
Eric W. Price, Deputy Mayor for Planning and Economic Development
Stanley Jackson, Director, Department of Housing and Community Development



Summary of the Public Hearing
For the Purposes of Needs Assessment in Preparing
“The Consolidated Plan for the District of Columbia, Fiscal Year 2005 Action Plan”
and
“The Low Income Housing Tax Credit Qualified Allocation Plan”

November 12, 2003, 6:30 PM

Note: Spanish translator was provided.
Senior Staff was present to respond to and/or refer participants.

Summary: *The majority of the testimony focused on the lack of both rental and homeowner affordable housing, the need for larger units, more housing counselors, youth programs and medical home programs, especially east of the river. The testimony also acknowledged and commended DHCD on its progress in revamping its strategies to fulfill its promise to retain and create affordable housing for District residents, despite the high real estate market. Witness testimony is summarized below. To review the full text, please contact Ms. Pamela Hillsman, Community Development Resource Specialist, at 202.442-7256.*

Loretta Tate, Executive Director, Marshall Heights Community Development Corporation (MHCDO)

Ms. Tate described the nonprofit corporation (MHCDO) and described its work in Ward 7 of the District of Columbia. She stated that the Community Development Block Grant Program (CDBG) and the Low Income Housing Tax Credit (LIHTC) Program’s Qualified Allocation Plan have been important resources to MHCDO in providing a wide range of affordable housing, community redevelopment activities, and commercial business assistance services and hoped that the city and DHCD will continue to earmark federal entitlement funds for these endeavors as outlined in the draft consolidated plan for the District of Columbia, Fiscal Year 2005 Action Plan.

Ms. Tate pointed to assistance from DHCD currently serving her area through a Neighborhood Service Grant, supporting the existing business base and working to attract additional investment to traditional neighborhood commercial districts; and the Commercial Facade Improvement Fund, which is another DHCD supported project, is currently underway along the Minnesota Avenue Business District. Activities will include repair and replacement of some storefront windows and doors, security gates, installation of uniform signage, lighting, painting, and creation of a cohesive appearance. This project will refresh the appearance of a major shopping area of the ward and help re-enforce the desirability of this commercial area.

Ms. Tate encouraged DHCD to continue these types of program uses with CDBG funds; to go beyond short-term considerations to take a larger picture approach to current economic issues, set the tone for future actions, and build the necessary tools and resources that will support the MHCDO agenda for redevelopment of Ward 7.

She indicated that the northeast Minnesota Avenue, Benning Road, and southeast Pennsylvania Avenue, Fairlawn corridors are identified in the 05 Action Plan as two of 13 priority areas for targeted investment by the city, and she felt that the government centers project would enhance the character of Ward 7, and be a catalyst for further investment in the ward. Her organization is also working with the Pennsylvania Avenue Revitalization Task Force to develop a plan to create much needed space for new office or retail tenants and link with the long-range proposals for development

along the Anacostia waterfront and other strategic initiatives planned for communities in Wards 7 and 8.

She encouraged DHCD to: 1) identify/predetermine other potential federal and local resources that could be used to fund redevelopment activities; 2) take advantage of the results of the SNAP community engagement process; 3) build on plans already on the drawing board; 4) pursue partnerships among stakeholders that will leverage District dollars, CBOs, foundations, lenders, developers, local District government agencies, and neighboring suburban jurisdictions; and 5) consider creating a contingency plan for those communities that may be adversely affected by any reductions in program assistance because of funds being diverted to the priority neighborhoods. She indicated there was a shortage of three-bedroom homes or apartments, and that bathrooms and closet space in older units are miniscule. She urged expansion of housing counseling services in her area and would like to add 3 counselors.

DHCD Response: DHCD works with the DC Office of Planning and uses its SNAPS data and other planning documents as it reviews development proposals for target areas. Through a series of “brown-bag” lunches DHCD solicits ideas and information from stakeholders, including lending institutions and neighborhood groups. To increase its available development funds, DHCD competed for and received 2 HUD lead-safe grants (totaling almost \$3 million) which will assist in bringing older housing up to lead safe standards. The city has increased local funding by about \$45 million in '03 and '04 for affordable housing through the Housing Production Trust Fund (HPTF); and DHCD has been able to increase its leverage rate for development projects to 6.4 private dollars for each public dollar. HPTF funds are targeted for very low-income groups and include larger family units as a desired outcome. DHCD also funds seven community based organizations that provide housing counseling services throughout the city. In its annual Request for Applications Process for Neighborhood Based Activities, DHCD provides funding to groups to provide counseling, and encourages participation from groups like Marshall Hts in the application process.

Cardell Shelton, Resident, Ward 8

Mr. Shelton has been an East of the River resident for more than 60 years. He uses his skills in masonry, roofing, and carpentry to reach out and try to train at-risk young people. Mr. Shelton commented on CDCs in general and AEDC in particular, felt that the Little Man, like him, encounters obstacles for contracts; believes there is criminal activity linked to LSDBE; would like to see training for at-risk youth; more viable employment opportunities east of the river; a more active CDC for Ward 8, and he will revive the Southeast Business and Merchants Assn.

Response from Stanley Jackson, Director: Mr. Jackson thanked Mr. Shelton.

Rene Wallace, D.C. Primary Care Association

Ms. Wallace explained that DC Primary Care Assn. works to improve the health care system in the District. She distributed a map of federally designated “primary care shortage areas,” showing that most residents have a hard time locating a physician, and given the statistical data for the District, this exacerbates complications associated with diabetes, high blood pressure, and asthma, which should be regularly treated in a primary care setting. Ms. Wallace would like primary health care included in the Consolidated Plan, and to do workforce development. She recommended leveraging CRA or bank credits to encourage private industry and developers to contribute to help improve the quality of medical care to the most venerable.

DHCD Response: DHCD provides funds for development projects through its annual RFP process and community facilities can be funded. Participants are encouraged to apply through this funding process for health or other community facility development in '05-'06.

Arlene Grant, D.C. Primary Care Association: Program Manager, D.C. Medical Homes

Ms. Grant discussed the kinds of health problems that are on the rise in neighborhoods and stated that lack of established primary care providers prevents the continuity of care. She felt that the placement of medical homes within distressed neighborhoods will, over time, provide a generation of medical professionals, paraprofessionals, and technical assistants. It will also provide training opportunities for entry-level employees (receptionists, clerks, etc.) to move on to other professions.

Response from Stanley Jackson, Director: Thanked Ms. Grant and mentioned that in addition to the organizations mentioned, DHCD has also assisted healthcare ministries in Brentwood. DHCD recognizes the importance of integrating primary care into the fabric of our communities, and we will continue to make that one of our strategic investments. DHCD provided funding for a neighborhood health clinic, La Clinica D'El Pueblo in the Columbia Heights area this past year. The participants were encouraged to take advantage of the annual RFP funding process with a proposal.

Sam Bost, President, Far Northeast/Southeast Council

Mr. Bost described the origin and purposes of the Council. He supported the healthcare needs expressed by previous speakers. He indicated support and appreciation for the work underway in Marshall Heights, but drew attention to Deanwood as an area in need of DHCD's assistance.

Response from Stanley Jackson, Director: Thanked Mr. Bost and told him to continue to speak up ,because the community's input is extremely important. He reviewed what DHCD has done in the past two years to eliminate the "rolling application" process whereby applications were submitted at any time for any type of project. It made managing funding and projects difficult for the agency. He described the "funding cycles" he instituted where we issue a "Request for Proposals (RFP)," identify how much money is available and determine where to invest. He requested that people submit projects for consideration.

Mr. Jackson indicated that Deanwood, along with Marshall Heights, is a target area for DHCD. He described the Department's aggressive pursuit of grant funds through HUD's SuperNOFA process, and DHCD's success in receiving two lead-safe grants; his commitment to ensuring that that area (Deanwood) receives as much resources as can be provided. Mr. Jackson indicated that Deanwood is on the radar for major redevelopment and DHCD's challenge will be to manage that redevelopment and to ensure that long-time residents, like Mr. Bost, who remained through all of the disinvestment, will reap the benefits when redevelopment begins.

Mr. Jackson called for any other comments from individuals who had not signed up on the witness list.

George Gurley, Former Housing Counselor

Mr. Gurley Inquired as to how funds for housing counseling are set-aside and the importance of counselors going directly to neighborhoods. He thought that there was never enough money..

Response from Stanley Jackson, Director: Mr. Jackson indicated that DHCD provides approximately \$3 million to seven different organizations to perform housing counseling, but that the demand is still rising. Counseling also includes credit counseling and eviction prevention, so we have asked our grantees to broaden their scope of services to include foreclosure prevention, in addition to preparing tenants for home ownership.

Mr. Jackson described an imminent challenge facing the city in the potential loss of approximately 54 units of rental housing subject to “opting out” of the federal subsidy program over the next 12 to 18 months. He said that DHCD is asking our grantees to also look at that as an opportunity to help the tenants understand their rights so they can preserve their ability to remain in their units. Three million dollars is a lot of money, but the demand is overwhelming and the need is tremendous.

Mr. Jackson also pointed out that DHCD has encountered reduction in funding every year since he has been the director. This is interesting for us right now, because there is a sense that a housing crisis, at a federal level, does not exist, which makes it that much more difficult to get additional funds. Reduced funding, coupled with increasing costs of almost 30 percent each year, in addition to the escalating land costs associated with the current real estate market dictates the very prudent use of our entitlement funds.

Mr. Gurley

Questioned whether, given the annual funding reductions, excessive land costs, and the need outweighing the availability of adequate funding, the Needs Hearing had any purpose. Residents come to these meetings to request funding for their areas, but there really isn’t any extra funds and there’s a limitation as to what you can get.

Response from Stanley Jackson, Director: Agreed that there is a challenge but that DHCD is trying to meet the demand and we are managing the dollars to the extent that we can. Unfortunately, we are challenged by market forces. Property owners, who want to go to market rates, are opting out of federally assisted housing, and they are moving their products from a subsidized environment to a market rate environment. It is a seller's market right now, and there are a lot of people out here with a lot of money that are not looking for a subsidy. If you come to DHCD for funding, then, to a large extent, we can control what happens because we participated in the process. But with a free market seller and a free market buyer, there's virtually nothing DHCD can do except try to work with tenants who are long-term renters and say that you have a first right to try to purchase and preserve your building. The owner has to give you that option. And during 2003, DHCD assisted almost 300 units in this area. Is it enough? No, but the product cost continues to rise at a rate that DHCD cannot match.

We are looking at increasing the funds for our rehab program because of the need to address not just housing code violations, but also that a lot of the houses were built before 1960 and have lead issues. We have to perform risk assessments and ensure that we provide the type of resources to make these houses healthy. Yes, it a real challenge.

Annie Tyson, Concerned Citizen

Ms. Tyson has numerous clients from Ward 8, many referred by Mr. Cardell Shelton. Ms. Tyson makes it a point of getting out into the community, especially at the Petey Green Center. She also distributes flyers at the Yung Yung Building and the Washington Gas Company on MLK about the workshops that are available.

Response from Stanley Jackson, Director: Informed Ms. Tyson and Mr. Shelton about two other organizations in Ward 8: Lydia's House, located on MLK Avenue, and now Reverend Motley I believe, who has started a counseling service at 4415 South Capitol Street. Lydia's House has been around for a couple of years and they have performed very well, so, you may want to contact one of them for the clients.

Terrence Johnson, ANC Commissioner; also Vice Chair of the East River Family Collaborative (ERFC).

Mr. Johnson wanted to know how the Collaborative, as one of the primary social service organizations in Ward 7, can get involved in certifying housing counselors? His organization has done a lot in Marshall Heights, but believes the Ward would be better served if they were more involved in Ward 7's housing crisis.

Response from Stanley Jackson, Director: Asked if Mr. Johnson was referring to the certification process, and suggested that there were a number of groups to go to for certification—e.g. FannieMae, and other organizations where he could begin. Another participant told Mr. Johnson that there's the National Federation of Housing Counselors, the District has a chapter of housing counselors and the president's name is Wayne Hodges. He can be reached at 202-399-6900.

Terrence Johnson continued that once a client is certified to purchase a house, the notices of eligibility expire before the client can find a house to buy. The housing need is very important with houses between \$125,000 and \$135,000 virtually nonexistent. His organization is referring some of their clients for condos or cooperatives and are amazed at the cost difference from a year ago.

Response from Stanley Jackson, Director: Commented that this is truly the challenge that Mr. Gurley expressed. When you look at the price increase in just one calendar year, it's absolutely scary in terms of, "What does it cost to buy a product?"

Mr. Jackson pointed out that as a part of the revitalization of the Bellevue area in far southwest, DHCD has tried to acquire some of the blighted, boarded up, neglected, small, apartment units, the four-unit and eight-unit buildings, over the last 15 months and is attempting to work with absentee owners to encourage them to sell their buildings to us. Now that everyone knows that we are serious about revitalization, an owner wants to sell a four-unit building, assessed at \$65,000, for \$350,000, where for the past 20 years he has done nothing with the property!

In addition, he said that DHCD has been working with a market developer that purchased an entire block of blighted apartment buildings bounded by South Capitol Street, MLK Jr., Avenue, at Danbury Street in southwest. The developer has demolished those buildings and will construct about 130 market-rate townhouses, selling for an estimated \$170,000 to \$175,000 per unit (maybe). DHCDI participated in this transaction to ensure some affordability, even though the developer did not have to agree to that. However, he needed a variance—an adjustment—to get a larger product into the neighborhood. DHCD requested that 20 percent of the total project be affordable housing. We were able to buy down the cost by working on the variance and assisting with some the cost of demolition to ensure that 20 percent of the completed project will include affordable housing in that neighborhood. If private developers do not need any government interventions, it is difficult to have negotiating room for affordability. Because owners know we are there, because the property is now fenced in, it's one block away from Patterson School, which is one of those transforming

schools off of South Capitol Street, you're getting people now who couldn't sell their property now asking outrageous amounts for dilapidated four-unit buildings.

These are some of the challenges we have discussed this evening. Another initiative we are exploring, particularly in Wards 7 and 8, is how to retrofit some the housing stock there, where the structures are sound, but obsolete. Gut rehabilitation is needed to expand the size of bathrooms, modernize the kitchens, and upgrade plumbing and electrical service and at the same time, make those of cooperatives and/or condos affordable for the residents of that community. We need to go in and do gut rehab, expand the size, expand the bathroom, modernize the kitchens, and all of that, and we need to look at how to make those kinds of cooperatives or condos more affordable for the residents of that community to become homeowners instead of renters.

Mr. Shelton:

Agreed with the Director regarding the rehab process for older, or vacant and abandoned properties. DHCD's input on this process needs to be conveyed directly to the community. He stated that the majority of Caucasian welders, carpenters, electricians, or plumbers, do not live in the District, however, an abundance of plumbers, electricians, carpenters, and such are African-American, and if the city would just reach out and utilize these resources, everyone would benefit. He also raised concerns about the partnership of ARCH, AEDC, and MANNA regarding the Anacostia Gateway and is extremely frustrated that he has been unable to get basic information on MANNA (i.e., how and why it was formed; the names of the participants, etc.). He has spoken with a Mr. McGaw, who has agreed to provide the information.

Stan Jackson: Responded that the MANNA that he was I'm aware of is run by Rev. Jim Dickerson.

(Mr. Shelton: Made two inaudible comments from unmiked locations.)

Response from Stanley Jackson, Director: Commented that the Anacostia Gateway, if it's structured appropriately as we envision it here, will certainly have total community participation, because it will be run by an LLC, which is compromised of the community. Mr. Jackson also stated that he was not involved with Mr. Gautier and that Mr. Gautier is not involved in anything that DHCD has done there, but that John McGaw would be the best resource regarding Maine Street projects. Mr. McGaw should be able to provide information on who is participating in the Anacostia Main Street.

[Mr. Jackson asked if there were any other comments, suggestions, or recommendations]

Paul Savage, Deputy Director, Office of Strategy and Communications, DHCD: Thanked the witnesses for braving the elements to participate in this evening's hearing and reviewed the process that DHCD uses to publicize these hearings; placing notices in local and community newspapers, conducting telephone outreach to the ANCs and numerous stakeholders, in addition to its 600+ mailings. Based on the outreach efforts DHCD conducted, one of our main concerns is the small turnout, and we would like to hear your recommendations on what additional steps DHCD can take to increase resident participation?

Mr. Johnson

Agreed with Mr. Savage. Believes lack of participation is an age-old problem. As an ANC Commissioner and as a person who participates in the community as much as possible, Mr. Johnson thinks this issue stems from apathy, except in today's case, which he thought may be attributable to the weather, but feels that too often residents look for reasons not to participate when information is being offered, and that is a part of where most of the problem lies; that not enough residents participate in the decision-making process.

Paul Savage

Informed those gathered that two additional hearings will be held. One on November 12, at the D.C. Housing Finance Agency, 815 Florida Avenue, N.W., and the second hearing, on November 18, will be held at DHCD. Both hearings will begin at 6:30 p.m., and he asked for assistance in passing this information along.

Closing Remarks: Stanley Jackson

Expressed disappointment with the lack of participation by residents of East Washington, especially given its housing crisis, but he is confident that continued success in creating affordable housing in East Washington will challenge its residents to come out and participate in the decision-making process.

[The public hearing was adjourned at 8:22 p.m.]

Summary of the Public Hearing
For the Purposes of Needs Assessment in Preparing
“The Consolidated Plan for the District of Columbia, Fiscal Year 2005 Action Plan”
and
“The Low Income Housing Tax Credit Qualified Allocation Plan”

NOVEMBER 13, 2003, 6:30 p.m.

Note: Spanish translator was provided.

Summary: *The majority of the testimony focused on the lack of affordable housing, both rental and home ownership, with emphasis on the conversion of rental to ownership; housing for the mobility impaired; and homeless families. Suggestions were made regarding better coordination of developments in Columbia Heights and special needs population (disabled, homeless, mental illness, troubled youth, the elderly). The testimony also acknowledged and commended DHCD on its progress in revamping its strategies to fulfill its promise to retain and create affordable housing for District residents, and in providing the First Right to Purchase Program for tenants, despite the high real estate market. Witness testimony and DHCD responses are summarized below. To review the full text, please contact Ms. Pamela Hillsman, Community Development Resource Specialist, at 202.442-7256.*

Mr. Coward, Chairman, Capital Area ADAPT; Director, Direct Action

Direct Action is an organization that advocates for the civil rights of persons with disabilities including their right to live in accessible, integrated housing.

Mr. Coward urged DHCD to:

- Allow disabled tenants to modify their homes instead of becoming residents of nursing homes; Enforce of compliance with federal accessibility, fair housing, and other disability laws in the District,
- Devote resources to hold their grantees, such as community development organizations and other private developers, accountable for their marketing practices.

He cited statistics on the difficulties in housing access facing wheelchair-bound young people and children with mobility impairments; the requirements of the Rehabilitation Act of 1973 barring discrimination against people with disabilities; HUD statements urging states to make CDBG funds available for tenants to modify their homes and retain these units for the same income-level disabled; and urged DHCD to integrate special needs housing and wheelchair accessible housing into its regular funding of development, and not separately. the number of integrated wheelchair-accessible housing.

He pointed out that his organization will continue to advocate and do what is necessary to make accessible housing a reality.

Response from Stanley Jackson, Director, DHCD

Mr. Jackson stated that DHCD recognizes the value and importance of inclusionary activity in the District and pointed out that under our Home Purchase Assistance Program, we have put about \$13 million into that program, of which over \$3 million is CDBG. Due to robust housing market, DHCD had a lot of program income and added an additional \$6 million from that to fund those kinds of projects. In suspending the intake of applications for single family home rehabilitation in July, DHCD

needed to re-examine the program to determine how to make the program more responsive. Intake was re-opened in December 2003.

He indicated that over the last two years, including this year, DHCD has specifically designated approximately \$9 million to special need investments. DHCD has made a tremendous commitment that recognizes that our special needs residents are important components of the community. DHCD has approximately six projects this year that came in through our NOFA process for '04 that we're going to be underwriting for special needs housing so this population can also enjoy safe and affordable accommodations in the city, and we will continue our commitment to this effort.

William Jordan, Resident, Columbia Heights; member of the Columbia Heights Development Task Force

The Columbia Heights Development Task Force consists of District residents that desire a better understanding of the development and other initiatives taking place in Columbia Heights. There is close to \$500 million worth of projects in Columbia Heights that received some form of public funding.

Mr. Jordan provided information on funding to improve schools, the income and disposable income in Columbia Heights and stated that there is a need to coordinate economic development with housing and school improvements. He thought that DHCD could do the coordinating.

Response from Stanley Jackson, Director

Mr. Jackson explained the role of DHCD as technically that of a public lender, to some extent like a bank. He agreed that we have learned however, that the absence of a coordinated strategy does not provide the sustainability or visibility needed in the marketplace. Large area plans are coordinated by the Office of Planning, and economic development is coordinated by the Office of Deputy Mayor for Planning and Economic Development.

He pointed out that school construction is not under DHCD, and that Public capitol funds were set aside by the Administration for the rehabilitation of public schools, even during the period of the Control Board and that was done through the Army Corps of Engineers so a lot of that was done was under the Federal Government in terms of how they coordinated control of developing the schools.

DHCD has monitoring responsibility that requires us to regularly visit and follow-up on its funded projects, those in which DHCD has an investment, to ensure that those developments are in compliance with District and HUD's regulatory statutes. We regularly monitor our projects but, we cannot have an agent sitting all day in Columbia Heights, and only monitoring projects in Columbia Heights. DHCD has this responsibility for its projects in the entire city. Furthermore, the majority of the development in Columbia Heights is not sponsored by DHCD but by market investors due to the current market boom.

[Mr. Jackson suggested that he and Mr. Jordan meet at a later date to discuss specific DHCD roles and processes in greater detail.]

Robert Moore, President, Development Corporation of Columbia Heights

Before beginning his remarks, Mr. Moore clarified that Mr. Jordan's main point centered on the lack of a centralized location where information is available regarding projects in Columbia Heights. He used the proposed **DC USA** project as an example needing coordination of construction work, access to the nearby schools and coordination with other nearby projects in Columbia Heights. The lack of a central

location on policy and progress is a problem, although DHCD does visit its funded project sites, there is no coordination office. He stated that DHCD has done a great job in a strategic plan for the streets and all of the capital improvements, but other agencies do not.

Mr. Moore pointed to the rise in property values across the city; indicated that the production of low and moderate income housing, too, is at an all-time high thanks to the energy and innovations at DHCD, working in a unique partnership with the D.C. Housing Finance Agency and the D.C. Housing Authority. He recommended a demonstration program targeting housing subgroups for mortgages for homes and condominiums to capture new household formation and retain young people and small households. He also recommended focusing on additional assisted living facilities for our seniors in neighborhoods across the city; an on returning to the business development arena with its façade improvement and business loans for existing businesses. He asked DHCD also to look at the patterns of concentrated poverty in the city and review existing policies and practices to solve the problem. His organization supports continued production of affordable housing until all waiting lists are exhausted.

Response from Stanley Jackson, Director

Mr. Moore was right on point when he raised the prospect of what's happening here in the city, particularly with such a huge development as DCUSA. I mean, you're talking about over half a million square feet of opportunity in one concentrated area. The challenge is to find ways in which we help support that. One of the ways, that is being proposed or discussed is the Section 108 loan concept. While interesting, at the same time, it's a risky concept without a designated source of repayment, because in the absence of a repayment source, that money is taken from DHCD's CDBG funds; an option of last resort. However, DHCD strongly supports the concept, and agrees that these are tremendous opportunities. DHCD is funding and monitoring a small business façade program through Community-based organizations; is supporting mixed-income housing across the city (low-to-mod) to break up concentrations of poverty, bringing renewal to some of the most depressed areas (e.g. Bellevue) and making all its resources (federal and local) available to increase and retain affordable housing.

Kelly Sweeny-McChain, Executive Director, Community of Hope (CoH)

Ms. Sweeny-McChain focused her comments on homeless families, the target population of the Community of Hope. She provided data on the number of families seeking shelter and 20% from previous year. The COH has 20 units for very poor families to move into for stays of 6 mos. to 2 yrs. Ms. Sweeny-McChain encouraged funding for this type of unit for the economically disadvantaged, for those with abuse issues, for transitional and special needs housing, and for renters with large families. Capital improvements, mortgages or rent are not paid by District.

Ms. Sweeny-McChain praised the online HPTF and application process. The COH is currently in the underwriting process with DHCD; seeking a grant.

Response from Stanley Jackson, Director

Mr. Jackson indicated that DHCD will continue to work with groups like the COH to make sure that we can expand the supply of housing. He was pleased to announce that the District was fortunate that it has not experienced much of a decrease in its Emergency Shelter Grant (ESG) funds, which will be approximately \$790,000 this year. DHCD will use the funds to minimize homelessness to the extent that it can. DHCD currently supports a 45-family shelter with the ESG and prevention services for 187 individuals/families.

He indicated that in addition to the funds available for low-income housing in the Housing Production Trust Fund, DHCD also had competed in the HUD Super NOFA, and was awarded two lead-safety

grants that will be used to create safe homes for our residents. DHCD is aware that, consistent with poverty, is excessive exposure to incidents of lead which have long-term effects on our children. Unfortunately, low-income families are more exposed to these experiences than not. Because of that, DHCD aggressively pursued those grants, which totaled almost \$3 million. DHCD has targeted some of the city's older neighborhoods, in particular, Trinidad, Deanwood, Marshall Heights, and Congress Heights. We will also try to offer opportunities for re-training throughout the city.

Mr. Jackson also stated that DHCD hopes that the city (perhaps through DOES) could create a cottage program that will train some of our unskilled residents in lead-based paint remediation for our residents to participate in all of the development activity taking place in the District.

Kofi Owusu, Secretary, The 16th and Monument Tenants Association

Mr. Owusu stated that many long-term tenants in the building are beneficiaries of DHCD's First Right Purchase Assistance and Tenant Technical Assistance programs. University Legal Services (ULS) is providing legal assistance and they are working with Pam Jones of The New Columbia Land Trust. He just wanted to come and thank the director personally and to let him know how appreciative they are of the assistance DHCD has rendered in helping them attain their dream of home ownership.

DHCD Response: DHCD currently funds University Legal Services to provide tenant associations with apartment conversion technical assistance. The First Right to Purchase Program received over a million dollars in additional funding in 2004, and will increase the funding available to tenant associations wishing to purchase their buildings by \$1.5 million for FY 2005. Technical assistance will also be expanded, in particular the contract with ULS. Other improvements include closer monitoring of tenant purchases and assisting more cooperatives with re-development.

Summary of the Public Hearing

For the Purposes of Needs Assessment in Preparing “The Consolidated Plan for the District of Columbia, Fiscal Year 2005 Action Plan” and “The Low Income Housing Tax Credit Qualified Allocation Plan”

NOVEMBER 18, 2003, 6:30 p.m.

Note: Spanish translator was provided.

Summary: The majority of the testimony focused on the lack of affordable housing, both rental and home ownership, with emphasis on support for tenant conversion of rental to ownership units, especially in buildings with expiring Section 8 contracts; and the special needs populations (homeless, mental illness, troubled youth, elderly). Recommendations were received in the areas of facilitating government access for the Latino community, funding community facilities, assisting with capacity building for nonprofits, reserving large scale development sites for affordable housing and employment opportunities. Testimony also acknowledged and commended DHCD on its progress in revamping its strategies to fulfill its promise to retain and create affordable housing for District residents, despite the high real estate market. Below are testimony highlights.

Senior Staff was present and responded to participants.

Gail Chow, Executive Director, The Green Door

Ms. Chow presented information on the challenges for renters with very low incomes, especially those who are disabled, to find affordable housing given the loss of housing units over the past decade. She urged more money be added to the Housing Production Trust Fund (HPTF); that the underwriting process at DHCD be streamlined, and that funds should be distributed in a timely fashion to avoid cost overruns. Ms. Chow expressed appreciation of the Green Door for DHCD considering multiple requests or open deadlines for proposals and encourages dedicated funding of \$5 million for developing special housing needs. She encouraged DHCD to consider financing community facilities and hoped DHCD would have a major role in the Comprehensive Housing Strategy under development by the City.

DHCD Response: DHCD acknowledges the challenge in funding housing for low-income and disabled citizens and cited the District’s continuing commitment in this area, including providing over \$45 million in local funds to the HPTF in fiscal years 2003 and 2004, for low-income and special needs housing proposals. DHCD considers all proposals for funding, including community facilities, through the annual NOFA process and encourages all participants to avail themselves of this open, competitive process.

Heather McClure, Director of Research and Policy for the Council of Latino Agencies

Ms. McClure provided information on the Council, the Latino population in DC, income and employment data and problems of low-income Latinos to afford housing when median home values were over \$200,000. Poverty in the Columbia Heights area rivals neighborhoods east of the Anacostia

River, she commented. Ms. McClure cited a partnership with the DC Energy Office to improve service the Latino community by being in the area and accessible with a bi-lingual employee on site.

DHCD Response: DHCD funds a number of community-based organizations, including ones within the Columbia Heights area, to provide bi-lingual residential outreach, assistance in organizing tenant associations, comprehensive housing counseling and program intake for renters and buyers, funding for tenant apartment purchases, fair housing counseling and other services associated with the mission and programs of the Department. DHCD also funded the Columbia Hts. health clinic, Clinica D'El Pueblo, and several tenant apartment conversions within the neighborhood over the past year and will continue this activity going on into FY 2004-2005.

Campbell Johnson, Project Director, Urban Housing Alliance

Mr. Johnson described the Alliance as a community-based organization and its mission to implement housing initiatives for residents at risk of displacement. Mr. Johnson is also President of Enterprise Development Institute (EDI), which is active in economic development, business assistance, work force development, and solutions research.

Mr. Johnson's concerns included development that hastens low-income displacement, especially in Wards 5 and 7; and gentrification in Ward 6. He was also concerned about the development of the Washington Navy Yard and urged DC to maximize employment opportunities for local residents in the commercial development underway, while retaining low-income housing in the area. He recommended that DC government parcels such as DC General and St. Elizabeth's Hospital be retained for low-income housing. Private developers activities in purchasing properties, developing high-end housing, office building and entertainment centers indicates that government does not need to provide them with incentives. The focus should be shifted to businesses such as government agencies, associations and banks to stabilize neighborhoods. He suggested re-examining the DC Main Streets Program because it appears to have reversed itself in helping new businesses in the 14th and U St area while older businesses are being displaced.

DHCD Response: DHCD provides funding to developments that primarily benefit low, very low and moderate-income residents. It has provided support to the DC Housing Authority for the HOPE VI development in the Navy Yard area and elsewhere to preserve a mix of affordable housing in that area. As a funding agency, DHCD supports primarily residential retention and re-development and some commercial or community facility development through a competitive Request for Proposal process. It does not develop property itself, nor does it control the processes for development of the properties under the jurisdiction of the NCRC, other public entities or the private sector. The D.C. Main Streets Program is not a DHCD program, but is run by the Office of the Deputy Mayor for Planning and Economic Development, but Mr. Johnson's comments will be passed along to the program manager, John McGaw. DHCD does provide a Tenant Purchase Assistance Program which funds non-profit and community-based organizations to provide organizational and financial assistance to tenants to enable them to exercise their first right to purchase their buildings when owners offer the property for sale. DHCD provides loans/grants to current homeowners to renovate their homes and remain in them. DHCD also has a policy of minimizing displacement in the residential rehab projects it funds, requiring developers to follow the federal and local relocation requirements.

Mike Dinka, Program Manager, DC Tenant Purchase Assistance Program, University Legal Services (NOTE: DHCD provides funding to the University Legal Services to provide assistance to tenants under the First Right to Purchase Program)

Mr. Dinka indicated that in many ways things are better today than ever before, but that the hot real estate market has increased the pressures on affordable housing; there are fewer buildings and units available due to owners selling their properties. He indicated that there is also a loophole in the First Right to Purchase Program. More DHCD and CBO staff is needed to handle the challenges in tenant conversions, to manage the first right to purchase process and the coming rehab needs of existing low income cooperatives and condominiums. There is also intimidation of tenants by owners offering token payments and moving assistance in exchange for waiving their first right to purchase. Specific tenant concerns follow from association representatives:

Chester Speet, Hacienda Co-op, East of the River

Mr. Speet recommended that DHCD needs to put more money into the acquisition and rehabilitation of cooperatives as this is the only housing that some people can afford. He pointed out that developers are taking over multi-family properties and converting them to luxury and high-end units whereby, current tenants are unable to afford them. It's difficult to earn a decent wage and live in the city with low-end jobs like cashiering, construction, and other short-term types of employment.

Ms. Cohen, President, Windermere Apartments' Tenants Association

Ms. Cohen acknowledged the assistance group received from Mike Dinka and University Legal Services. As a long term tenant she was distressed when a Notice of Sale was posted. Mr. Dinka helped to navigate through the complicated steps in sorting out options, determining what kinds of surveys (tenant assets, etc.) were needed, and what other resources (financial, legal, etc.) were available. In September 2001, the group was able to locate and negotiate with the purchaser who made them comfortable with the sale. The Association has since dissolved because we were very satisfied that the building had transitioned satisfactorily to new ownership, our futures were not jeopardized, and the diversity of the building would remain while some changes affected by the change in the market were moving forward. The success of it was very much due to the kind of energy and support and assistance that Mr. Dinka provided--it was readily, and clearly apparent that this was a one man show--he gave us the energy and time necessary to accomplish our goals. The group fully supports any additional support for the Tenant Purchase law.

MS. Frazier, Tenant, 307 "S" Street, N.E.:

Ms. Frazier stated that she received a letter about the 13th stating that the building would be sold and within a week received letters from potential buyers offering money in exchange for waiving their rights to purchase the building. Some tenants have been intimidated but the majority wishes to remain and Mr. Dinka has been their only resource. They want to know what assistance is available to them as tenants?

MS. SPEARS, Tenant, 307 "S" St., N.E.

Ms. Spears confirmed that persons have come to the building knocking on doors, at 1:00 a.m. These individuals mislead some tenants by inferring that they already have the building and the money they're offering is to "sorta help you out." There are contractors coming in to estimate the cost of renovations and the tenants are still living in the units. Can DHCD prohibit this intimidation, put a law in place? What alternatives are there if tenants can't purchase their buildings?

DHCD Responses:

Lawrence Cager, Deputy Director, Development Finance Division, DHCD

Mr. Cager explained that although the Department cannot prevent potential owners from offering money in exchange for waiving your rights, DHCD provides the funds that enable Mr. Dinka and

University Legal Services to notify, and advise and assist tenants with their rights. Tenants need to be aware of their rights, to not feel intimidated, and understand that they do not have to accept what is being offered to, or forced upon them in terms of waiving their rights to try to purchase their building. Mr. Cager stated that DHCD funds the Tenant First Right Purchase Program as long as funds are available, and that services are available 24/7 until we expend all the money. DHCD is proceeding to broaden the base with other resources, just as ULS has done with the Enterprise Foundation and LISC. Mr. Cager also indicated that all tenant conversion projects submitted by Mr. Dinka and ULS last year were completed,--i.e. were closed and funded. The tenant assistance program received additional funding in '03 and will receive additional funding for '05.

Paul Cohn, Interim Manager, Single-Family Residential Rehabilitation Program, DHCD:

Mr. Cohn stated that if the proposed building purchaser is violating the rights of tenants, that is something that the DC Office of the Corporation Counsel (OCC) can investigate. DHCD is not an investigative arm—we cannot investigate violations of tenants' rights. DHCD's responsibility is to provide funding to University Legal Services (ULS), to assist tenants who wish to purchase their buildings. If you believe your rights have been violated, you need to refer that matter to OCC or the Department of Consumer and Regulatory Affairs (DCRA) for investigation.

Robert Trent, Chief of Staff, DHCD:

Mr. Trent requested that Ms. Spears leave contact information in order to schedule a separate meeting to discuss their issues and to provide some assistance and direction with her complaint.

[Paul Savage, Deputy Director, Office of Strategy and Communications, DHCD, disagreed with Ms. Spears' statement that DHCD was not responsive to the needs of the tenants of 307 S St., N.E.; and Mr. Dinka concurred with Mr. Cager's statement that DHCD closed on all projects submitted by ULS last year.]

Ms. Rozanne Look, Director, Project Development, MANNA

Ms. Look submitted testimony from Mi Casa for inclusion in the record. Highlights included: Commending DHCD for the efficient handling of its NOFA process and for increasing funding for affordable housing from HPTF, CDBG and HOME. She urged increased funding for the Home Purchase Assistance Program and revival of the multi-family Homestead Program. She added her concerns over the tenant purchase program, recommended increased funding and added her support to closing the "95% transfer" loophole in the law. She also recommended increased funding for technical assistance to help reduce tenants being intimidated or pushed out of their homes.

DHCD Response: DHCD requested and received Council approval to increase HPAP loan amounts to meet the challenges of the increased cost of home purchases.

Ms Ione Hill, Manager, Phyllis Wheatley YWCA

Ms. Hill spoke on behalf of her organization which is a partner with the Department of Mental Health and houses 30 individuals who suffer from mental illness. She spoke of the need for low-income housing for persons with mental illness and urged DHCD to support additional housing for this special needs group.

DHCD Response: In addition to federal funds available for development of low-income and special needs housing, the District has committed over \$45 million in local HPTF dollars for extremely-low,

very-low, low and moderate income housing development and for special needs units. All participants were urged to apply through the annual funding RFP process to develop housing to meet the special needs for which they advocate.

Mr. Cristaivo, Community Organizer, MANNA

Mr. Cristaivo stated that the First Right to Purchase law is an essential tool to create stable and diverse neighborhoods across the District of Columbia by allowing long-term residents to remain in their communities as homeowners. His organization, MANNA, is involved in projects for 50 units for low income tenants who are exercising their first right to purchase. DHCD plays a crucial role in making ownership achievable for these families. Without the funding and assistance provided, MANNA could not help groups organize and navigate the purchase process. More funding is needed for technical assistance for tenant groups to assist them in the tenant purchase—First Right to Purchaser—process. He commended DHCD for its leadership in this area.

Denise Smith, Tenant, Fernwood Tenants Association

Ms. Smith expressed her gratitude that neighbors referred the group to MANNA, who stepped in to help them through the buying process. Recommend that DHCD to increase funding for low-income residents, because there are more people behind her that need help to become homeowners.

DHCD Response: DHCD is pleased that its funding to MANNA and other non-profit organizations, such as ULS, has made possible the dream of homeownership for tenants and other residents. DHCD continues its commitment to supporting tenant ownership through the Tenant Apartment Purchase program/First Right to Purchase Program, and through increasing the affordable housing supply—for both renters and owners.

Ms. Sue Chang, on behalf of the Board, staff, and clients of Housing Counseling Services, Inc., (HCS)

Ms. Chang provided information on the full array of housing related services including comprehensive counseling, training, and advocates for low- and moderate-income buyers, homeowners, and tenants that her organization provides. She indicated that HCS works to prevent homelessness, assist tenants, and increase homeownership. Their goal is to build sustainable communities through informed housing consumers.

Ms. Chang thanked DHCD for its continuing commitment to affordable housing, stating that HCL has partnered with DHCD to help low- and moderate-income residents of the District to improve and preserve their communities. Through DHCD programs such as Homestead, Home Purchase Assistance, Single Family Rehab, and Tenant Services, HCS offers housing counseling, training, and advocacy to D.C. residents to assist them in obtaining safe and affordable homes, which is especially important as we face a housing crisis in the District. HCS empowers its clients to enable them to make well-informed decisions about home ownership. Ms. Chang urged DHCD's continued support to enable these residents through education and counseling.

Ms. Chang provided illustrations of residents who have benefited from their services and DHCD funding, such as, tenants at 3128 Sherman Ave., NW, who are in the process of purchasing their building; some units include three generations of the same family.

Mr. Mustafa Tariq, Recent First-Time Homeowner

Mr. Tariq informed the group that he purchased his first house in May 2003, with the assistance of the Housing Counseling Services, Inc. HCS was very supportive and encouraging even when he was ready

to give up and move to Maryland. Anything that he can do to help or any assistance HPAP will ever need, he will always be available because they stood by him until he achieved his dream.

Melinda Gray, Single Parent, First-Time Homeowner

Ms. Gray spoke about how the HPAP program afforded her the opportunity to own a home and the staff at the Washington Urban League helped to make her dream come true. The Greater Washington Urban League staff handled her loan with a high degree of excellence.

Ms. Gray said that The Home Ownership Training Programs afforded her the opportunity to make informed decisions and meet with industry leaders, an inspector, a real estate agent, a loan officer, and an insurance agent. She commended Carol Card and Karen Garrett, of the Washington Urban League, for their excellent administration of the program. (*NOTE: The Greater Washington Urban League is one of the community-based organizations funded by DHCD to provide counseling and program intake*)

[Mr. Savage asked Ms. Gray if she were contacted by DHCD would be willing to share her success story with others who are trying to purchase a house.]

Mr. & Mrs. EDMUNDS, First-Time Homeowners

Mr and Mrs. Edmunds stated that they never dreamed they could own a home, but by working with ULS, (University Legal Services) completed the training. The process only took about 4 months, as opposed to the length of time others said they experienced. These types of programs help people to attain home ownership and we hope you will continue to fund them. (*Note: ULS is one of the community-based organizations funded by DHCD to assist tenants become homeowners.*)

Mr. Price, Concerned Citizen

Mr. Price shared his story of recovery from a 32-year battle with serious and persistent mental illness; during which he spent a year homeless, living on the streets and in shelters. He is aware of the role that affordable and appropriate housing plays in treatment. He said that the number of persons homeless and in unsafe and unsanitary housing is greater than imagined and that one third of current residents earn less than \$25,000 a year. Clients of mental health services do not need more medicine, institutionalization, and manipulation; they want jobs, housing, and friends. He appeals to DHCD to work with persons in recovery to achieve the American Dream.

DHCD Response: DHCD is pleased to hear from satisfied customers of the HPAP first-time homeowners program and the Tenant First Right to Purchase Program. Through funding for community-based organizations such as the Greater Washington Urban League, Housing Counseling Services and University Legal Services, DHCD can provide additional persons to reach further into the community to provide access to housing programs and funds. DHCD has provided funding for a number of housing and other initiatives to serve the population recovering from mental illness through the Green Door and other organizations. In the annual competitive funding RFP, all organizations are urged to submit proposal for developments that can meet their service needs.

Irving Dallas, Acting Deputy Director, Delivery Systems Management, D.C. Department of Mental Health (DMH)

Mr. Dallas indicated that there is a growing need for housing for clients of the DMH. He provided figures on the extent of the problem and urged continued collaboration and cooperation with DHCD and it's for profit and nonprofit partners, without whom, DMH would not be able to meet its housing needs.

Mr. Dallas proposed that DHCD incorporate into the Consolidated Plan and the Low-Income Housing Tax Credit Plan the following priorities: 1) Increase the supply of affordable housing; 2) designate special needs housing as a priority; 3) collaborate with DMH to eliminate the multiple application process for developers; 4) set-aside units for DMH clients in the Development Finance Division Project funding activity for FY '04; 5) set-aside a percentage of the Homestead Housing Preservation Program for first time home buyers for DMH clients; 6) designate DMH clients as a priority with the First Home Initiative and home ownership programs in order to provide down payment assistance; 7) designate DMH clients as a priority with DHCD's housing rehabilitation assistance program; 8) set-aside a percentage, 20 percent, of the Low Income Housing Tax Credits to be utilized especially for projects for affordable housing for mentally ill clients of DMH, and 8) cooperate with the DC Housing Finance Agency to provide preference points for nonprofit and for profit developers committed to providing supportive housing for the mentally ill. DMH looks forward to working with DHCD.

DHCD Response: In addition to the federal funding available, the Housing Production Trust Fund has been funded with approximately \$45 million in local funds in 03-04 for low-income and special needs housing. There are competing interests within the broader special needs designation including, mobility impaired persons, the elderly, families needing large units, as well as ex-offenders, and the clients referred to by Mr. Dallas. DHCD assists in meeting these needs by including special needs as a desired result in its NOFA RFP funding process. Developments that are proposed for funding may include all, some or none of these special categories along with the required percentages of very low and low income residents. Advocates are encouraged to participate in the RFP process to propose projects to meet their client needs. There are currently no homes available in the Homestead program. When property is available, under the Homestead program, single-family homes are sold through an annual lottery open to all. Multi-family properties are sold through an RFP process—in which non-profit developers are encouraged to propose projects to meet the stated needs.

Mr. Marty Mellett, Senior Program Officer, Local Initiative Support Corporation, LISC; and Director, Community Development Support Collaborative

Mr. Mellett stated that both LISC and the Collaborative have been pleased with the general direction of operations of DHCD over the past several years. The establishment and implementation of a clear and understandable NOFA for both real estate projects and residential and community services has decreased the level of uncertainty about DHCD's participation in various neighborhood revitalization efforts. This more rational, open-front decision-making process provides a more level playing field and is a step in a good direction.

Mr. Mellett's recommended that DHCD should move toward a bi-annual NOFA process, which would necessitate an expedited underwriting process; and supported previous testimony regarding the current real estate market spurring the sale of previously low-to-moderate income, multi-family properties that circumvent the First Right Purchase law through the "ninety-five percent transfer" loophole, especially in Shaw and Columbia Heights, encouraged DHCD to expand its technical assistance availability to nonprofits working with residents in private buildings who are presented the opportunity to purchase their buildings, and to increase the limit for HPAP. He urged DHCD to re-examine the multi-family Homestead Program, stating that they recognized that nonprofits are unable to play a role in real estate development due to the high cost of acquisition and construction. Therefore, financial feasibility depends on acquiring properties at very low cost. He also applauded DHCD's decision to invest a portion of its CDBG dollars in the provision of technical assistance for residents in buildings facing expiration of project-based Section 8 contracts.

DHCD Response: Council of the District of Columbia is reviewing the legislative loophole mentioned by Mr. Mellet. DHCD requested and received for the DC Council increased subsidy levels for the HPAP program. DHCD funds seven community based organizations to assist residents with a broad range of housing counseling. DHCD funds specific technical assistance and loans for tenant purchase of their rental units and will probably increase funding in this area again in '05. Whereas Homestead has not had an inventory of properties for its Lottery or RFP sale, it continues to move to acquire property for Homestead use. Its Neighborhood-Based Activities program includes funding for TA and housing counseling for tenants in buildings with expiring Section 8 contracts. A bi-annual NOFA is under discussion at DHCD. There are capacity concerns in providing enough project managers and other staff to be simultaneously engaged in on-going development project underwriting and management while also participating in the intensive intake and evaluation process for the additional NOFA.

Mike Wallach, President, Coalition for Nonprofit Housing and Economic Development; and Vice President and Chief Operating Officer of the Anacostia Economic Development Corporation.

Mr. Wallach provided information on the Coalition, an organization of over 100 members who are mostly nonprofits dedicated to improving the quality of life for District residents by providing affordable housing, special needs housing, economic and business development assistance in the District. The focus of member organizations has been lower income neighborhoods of the District. The development sponsored by the nonprofits for the past three decades is the foundation upon which these new neighborhood development efforts have been built.

He stated that the roles of the nonprofits are critical even though Mr. Wallach did not feel that all government agency personnel shared this view. He indicated that at the Office of Planning Cluster Meetings are not representative of the full range of residents which includes seniors, and non-homeowners dependent on mass transit. These people are dependent on neighborhood level services and good environments.

Mr. Wallach pointed out problems in NDAP funding, and felt that the development process is a long, arduous one, yet, in many cases DHCD seems not to understand that housing and business development must work hand in hand and there are no quick fixes or, instant return on investments. He felt that prior achievements by a nonprofit seemed irrelevant in the new proposal review process, thereby, discounting the prior years' efforts.

Mr. Wallach stated that the Coalition fully supports the Mayor's initiative to expand affordable housing, and wants to ensure that nonprofits, with proven track records in affordable housing and business development, will not be overlooked because of a lack of cohesive and coherent affordable housing and neighborhood development policy. He urged the Mayor and DHCD to move forward without delay to develop a comprehensive housing strategy, in collaboration with the Coalition and others, for the District of Columbia, as well as a strategy for revitalizing neighborhoods that will fully utilize the unique contributions that only community-based nonprofits can provide.

Robert Pohlman, Executive Director, Coalition for Nonprofit Housing and Economic Development; member of the Affordable Housing Alliance

Mr. Pohlman commended DHCD for its successful, second major NOFA and the proposal request for \$35 million of Housing Production Trust Funds, CDBG home and tax credit dollars and look forward to the release of the results of this RFP competition so that housing developers and supporters of the trust fund, council members, media, and the general public can understand and fully appreciate the work that is being done in support of affordable housing in the District of Columbia.

Mr. Pohlman said that it's imperative that we collectively tell how well the Housing Production Trust Fund is doing. The failure to gain full Trust funding in fiscal year 2003 was based on the City Council's belief that there was insufficient demand and that DHCD would not be able to expend the funds. Certainly, the successful, second round of competition for trust fund dollars will go a long way towards disproving those suppositions. He urged release of that information as soon as possible.

Mr. Pohlman noted that the preservation of affordable multi-family housing for fiscal year 2005 deserves major attention. DHCD recently responded with an RFP inviting proposals to support federally assisted projects and that a significant sum has been dedicated for this purpose. CNHED commended DHCD for this action, made the following recommendations: DHCD should focus attention and technical assistance on buildings opting out of the Section 8 Program; a portion of the HPTF should be committed to tenant purchases of opting-out Section 8 properties; TA should be increased in non-federally assisted properties where tenants wish to purchase. In addition to counseling, funding should be provided for legal assistance, appraisals and other expenses associated with a tenant purchase initiative. He recommended expanding the staff in the Tenant Purchase Technical Assistance program and setting aside development funding for tenant purchases. The Coalition extended an invitation for DHCD to step back and strategize on how to increase the capacity and production capabilities of nonprofits engaged in community development in the District. He recommended revisiting the "capacity building" issue for NDAP funding and helping non profits to increase production of affordable housing and economic development. He suggested that DHCD review HoFEDD to

Provide incentives for production that also helps support the capacity of nonprofits to produce that housing. Similar reviews should be made of economic development initiatives to encourage nonprofits to engage in development ventures in their neighborhoods that will stimulate revitalization and promote equitable development for all residents.

DHCD Response: DHCD will entertain all ideas on ways of increasing the development of affordable housing provided we comply with HUD requirements and regulations; and DC laws. DHCD is open to making adjustments in using housing production funds in ways that encourage non-profit developers to produce the units needed. DHCD has initiated pro-active counseling of tenants in some expiring Section 8 buildings in FY 2004, and will make every effort to assist tenant purchase applications with both technical assistance and rehab financing as far as resources allow. The Housing Production Trust Fund has allowed DHCD to commit local funds for development of approximately 2900 affordable housing units from FY 2004-2005. Actual expenditures are still fairly low due to the fact that spending on construction projects is on a "draw" basis; i.e. funds are disbursed as certain construction activity is completed or begun. The demand for this kind of funding continues unabated. DHCD increased funding for the Tenant Purchase program in '04 and will increase funding again in FY 2005—which may lead to increased staffing at the community level.

[Mr. Paul Savage asked DHCD stakeholders to contact his office to provide recommendations on how DHCD can improve its delivery of services to constituents.]

[Mr. Paul Cohn expressed the Department's desire to engage in discussions with other community housing development organizations (CHDOs) to encourage active participation including becoming certified and developing more CHDO proposals. However, certain things are prohibited by HUD, so we need to strategize a plan that will encourage HUD's support and approval.]

Written Comments Received

Department of Human Services; Department of Mental Health, and Community Partnership for the Prevention of Homelessness:

Recommended that DHCD provide \$350,000 to support tenant-based rent assistance for 65 chronically homeless persons under a housing first program.

DHCD Response: DHCD indicated that the Action Plan did not include rent assistance as a funding priority, but did welcome proposals to increase development of housing units for homeless persons/families. DHCD referred the parties to the Deputy Mayor for Children, Youth, Families and Elders, whose office coordinates services administered under the Emergency Shelter Grant—which is passed through from DHCD. The priorities outlined in the Action Plan to increase affordable housing production and home ownership are based on those of the Administration, the HUD national objectives, and the preponderance of citizen comments.

Richard Layman, 825 6th Street, N.E.:

Mr. Layman made recommendations regarding the design of projects in the H Street Corridor specifically, but applicable to other DHCD-funded projects: These recommendations were:

- Fund fewer façade improvement projects and re-allocate the funding to fewer, better designed projects;
- Use the publication, *Thrive: A Guide to Storefront Design in the District of Columbia*, as requirements for all projects initiated by DHCD,
- DHCD develop a set of design guidelines for all renovation, rehabilitation and construction projects,
- Require all grantees to follow design guidelines for quality projects,
- For DC Main Streets communities, the Mayor should promulgate an order holding all agencies responsible for policies implemented in concert with Main Street precepts, and
- Mayor Williams promulgate an order, (when DHCD design guidelines are in place) holding all executive agencies responsible for using and incorporating the guidelines in their renovation, rehab and construction projects and contracts for same.

He discussed façade and other projects funded by DHCD and the importance of adhering to historic and design standards.

Mr. Layman also opposed awarding a \$1million grant to the H Street CDC for a development at 8th and H Streets, NE.

Ann Hoog and Scott Whipple, 532 Ninth St. NE; and William Duncan D. McColl II, 521 Ninth St. NE:

Recommended that DHCD establish a process to expeditiously transfer DHCD-controlled property at 525 Ninth St. NE to a private developer for rehabilitation and conversion to private residential use. This property was formerly a police station.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Notice of Public Hearing “Draft Proposed Consolidated Plan for the District of Columbia Fiscal Year 2005 Action Plan”

Wednesday, March 10, 2004, at 6:30 p.m.

Department of Housing and Community Development
801 North Capitol Street, NE, 9th Floor Conference Room
Washington, D.C. 20002

Mr. Stanley Jackson, Director, Department of Housing and Community Development (Department), announces a Public Hearing on the “*Draft Proposed Consolidated Plan for the District of Columbia Fiscal Year 2005 Action Plan*”. The hearing will begin at 6:30 p.m., on Wednesday, March 10, 2004, at 801 North Capitol Street, N.E., Washington, D.C., 9th Floor Board Room. The purpose of the hearing is to provide the public with an opportunity to express its views on the “Draft Proposed Consolidated Plan for the District of Columbia Fiscal Year 2005 Action Plan” and budgets to be submitted to the U.S. Department of Housing and Urban Development (HUD) for the following federal entitlement programs:

- **Community Development Block Grant Program**
- **HOME Investment Partnerships Program**
- **Emergency Shelter Grant Program**
- **Housing Opportunities for Persons with AIDS Program (HOPWA)**

The Department will utilize this input from the public, consistent with the District’s economic development strategy, citywide strategic plan, and identified strategic target areas, to finalize the “Proposed Consolidated Plan for the District of Columbia Fiscal Year 2005 Action Plan” for submission to the Council of the District of Columbia and HUD.

The “Draft Proposed Consolidated Plan for the District of Columbia Fiscal Year 2005 Action Plan” document will be made available for review as of February 26, 2004, at the Department (8th Floor), all public library branches, all Advisory Neighborhood Commission offices, and at the following community based organizations:

Housing Counseling Services, Inc.	Latino Economic Dev. Corp	Marshall Heights CDO
2430 Ontario Road, NW	2316 18 th Street, NW.	3939 Benning Road, NE
(202) 667-7006	(202) 588-5102	(202) 396-1200
University Legal Services	University Legal Services	Lydia’s House
300 I Street, NE	3220 Pennsylvania Avenue, SE	4101 MLK Jr., Ave, SE
(202) 547-4747	(202) 645-7175	(202) 563-7629

If you wish to present oral testimony, contact Ms. Pamela Hillsman, Community Development Resource Specialist, at (202) 442-7256, not later than close of business Monday, March 8, 2004. Please provide your name, address, telephone number, and organizational affiliation, if any. For Telecommunications Device for the Deaf (TDD) relay service, call (800) 201-7165. A sign language interpreter and Spanish translation services will be provided. Written statements may be submitted for the record at the hearing or until close of business, Wednesday, March 17, 2004. Written statements may be mailed to: Mr. Stanley Jackson, Director, Department of Housing and Community Development, Attention: Office of Strategy and Communications, 801 North Capitol Street, NE, Washington, D.C. 20002.

Anthony A. Williams, Mayor

Eric W. Price, Deputy Mayor for Planning and Economic Development

Stanley Jackson, Director, Department of Housing and Community Development
www.dhcd.dc.gov



SUMMARY OF CITIZENS' PUBLIC HEARING COMMENTS
Department of Housing and Community Development
801 North Capitol Street, NE
Washington, DC 20003

Public Hearing on the February 26th Draft, Proposed Consolidated Plan, FY 2005 Action Plan
March 10, 2004, 6:30PM

On March 10, 2004, the Department of Housing and Community Development conducted a public hearing at its headquarters, 801 North Capitol Street, NE, to solicit comments from the community on DHCD's Draft Proposed Consolidated Plan, FY 2005 Action Plan.

A Sign Language interpreter was provided at the hearing.

Senior Managers and staff attended to respond to questions and to take referrals.

Additional copies of the Draft Proposed Consolidated Plan, FY 2005 Action Plan were available at the hearing.

Twelve people registered in advance for the hearing, but only six attended and presented testimony. One person registered on site and presented testimony. (See list at end of testimony)

Mr. Stanley Jackson, Director of DHCD, opened the meeting at 6:35 with brief remarks about the purpose of the hearing the steps taken to include the community and inform the public about the Draft Proposed Consolidated FY 2005 Action Plan and this public hearing. He also directed the audience's attention to the federal and local funds budgeted and the sections describing the goals and targets for FY 2005. Senior Managers and staff were at the table with Mr. Jackson to answer questions and/or take referrals. Mr. Jackson then introduced the speakers in the order in which they registered for the hearing.

Testimony:

1) *Ms. Gail Chow, Housing Director, The Green Door, and Mr. Steve Counts, a Green Door member.*

Mr. Counts thanked Mr. Jackson for past support and stressed the need for funding projects for very low-income people who have mental disabilities.

Ms. Chow expressed appreciation for DHCD's financing the production of affordable units, community facilities and for its outreach. Ms. Chow added that Green Door was thrilled to finalize the financing the Green Door property on Pennsylvania Avenue and thanked DHCD and the many staff members who assisted her to reach this goal. Ms. Chow said that she was impressed with the amount of detail provided in the Action Plan which showed the needs and activities for increasing affordable housing especially for residents with special needs. She voiced support for efforts to process transactions quicker, provide training and technical assistance, give customers time to respond to requests, work with customers' individual needs and to work with non-profit agencies. She supported full funding for the Housing Production Trust Fund and made the following additional comments and recommendations:

- Continuation of creative financing for special needs housing, such as permanent financing. She pointed out that DHCD deadlines often do not match deadlines from other sources which necessitates using bridge financing.
- Provision of deferred and/or forgivable loans for projects assisting very, very low-income people,
- Maintaining DHCD's standardized loan applications and requirements, which have been very helpful,
- Allocating rehab funds for leased or owned community facilities so that services are available in conjunction with housing,
- Being flexible in the location and funding of special needs housing and public service facilities to avoid over concentration and provide service in many areas,
- Providing financing for acquisition only for special needs housing that may not need rehab,
- Continuing to provide training and technical assistance—which she acknowledged has been done and is very helpful,
- Being cautious with the Section 108 loan concept, using CDBG funds as a last resort and minimally,
- Continuing to coordinate with other private and public agencies to co-fund projects, and
- Supporting non-profit agencies development activities in the District—pointing out that Green Door's re-hospitalization rate is only 12% compared to a national rate of 50% and that their members are working and earning members of the community.

Response from Stanley Jackson, Director:

Mr. Jackson stated that DHCD would continue its commitment to support housing and community projects to assist special needs citizens.

2.) *Ms. Sue Cheng, Housing Counseling Services (HCS):*

Ms. Cheng described HCS as a non-profit organization providing a full array of housing-related services. She thanked DHCD for its continued commitment to affordable housing and for its partnership in helping low and moderate-income residents of DC improve and preserve their communities. Ms. Cheng referred to contracts with DHCD programs in which the organization offers housing counseling, training, and advocacy for DC residents to assist them to obtain safe and affordable homes. She provided three specific examples of people that HCS was able to assist in very different situations with positive outcomes.

Ms. Cheng pointed out the problems created by the escalating housing prices in DC—placing rental and owner units out of the affordability range for most residents, who may now face dislocation. HCS helps homeowners, potential homeowners and tenants with a range of services and workshops.

Response from Mr. Stanley Jackson, Director:

Mr. Jackson responded that DHCD would continue its partnership with HCS to assist tenants and homeowners with affordable housing options.

3.) *Mr. William Stokes, Carver Terrace Tenant & Civic Association/Carver Terrace Tenant and Civic Association –Wire (CTTCA/CTTCA-Wire)*

Mr. Stokes presented a description of the Association and its emphasis to develop and revitalize families of the Carver Terrace community along with the physical, social and economic structures of the community.

His association has developed a partnership with approximately 20 community, education, business, social and property development organizations. The association represents families of three properties within Carver Terrace. The new CTTCA-Wire Property resulted from a tenant purchase under the First Right to Purchase Program funded and operated by DHCD. A Community Development Corporation (CDC), Carver Terrace CDC has been formed to simultaneously develop the social, housing, commercial and economic sectors of the community. They are seeking DHCD endorsement and assistance with an DC government interagency approach to assist them achieve their strategic plan. They are looking for assistance in developing their CDC organizational capacity, a Tenant Management Corporation and capacity to implement their plans. Desired initial investors include Fannie Mai, Bank of America, HUD, DC Housing Authority and DHCD.

Response from Mr. Stanley Jackson, Director:

Mr. Jackson responded that DHCD had invested approximately \$1 million in the rehabilitation work at Carver Terrace, and that Mr. Stokes might speak with Mr. Robert Mulderig, Director of Residential and Community Services, about neighborhood-based initiatives which are funded through a Request for Applications (RFA).

4.) Ms. Elinor Hart, and Jess Logan, Mt. Pleasant Main Street:

Ms. Hart raised the need for the City's attention to revitalizing Mount Pleasant Street's three commercial blocks, the 3000,3001 and 3002 blocks. The Mt. Pleasant Main Street is one of 12 DC Main Street Programs.

Ms. Hart stressed that development pressures within the surrounding area (Columbia Hts, Adams Morgan) create vulnerability for the people in the Mt. Pleasant commercial area being priced out of their homes and businesses. The Mt. Pleasant commercial strip is a low-income area. Census Tract 27.01 shows the commercial blocks of Mt. Pleasant Street at the center of block #1, with a household median income of \$32,000. Some expensive homes on nearby streets mask the low-income centered in the commercial strip. These incomes are probably no higher than \$25,000 for a household—the median household income for Census Tract 28.01. Ms. Hart mentioned the participation of DHCD in support of tenant conversion of 1611 Park Rd. as an example where government intervention can protect existing residents from displacement.

Ms. Logan owns an antique business in the commercial area and has seen walk-in business drop by 25%. She feels that this area needs a share of the funding available under the block grants to be protected and revitalized.

Response from Mr. Stanley Jackson, Director:

Mr. Jackson indicated that he had also heard Ms Hart at the hearing for the Columbia Heights DC/USA 108 loan guarantee and was aware of the need to develop a wrap-around approach to protect and revitalize nearby areas in rapidly developing sections...without negative consequences.

5.) Mary Jackson, Commissioner, Advisory Neighborhood Commission 7E-04.

Ms. Jackson was interested in the Tenant Purchase Assistance Plan as described in the Action Plan and recommended additional funding for Technical Assistance to tenant groups, especially so that experienced legal advice is available to tenant groups. She alluded to projects in her area where owners have brought in third-party managers and the tenants are not benefiting. Tenants think that they are protected in the documents, but find out later that they do not own their own units. Mrs. Jackson did not cite a particular project, but inferred that the problem was widespread.

Response from Mr. Stanley Jackson, Director:

Mr. Jackson agreed that we must be vigilant in projects in which DHCD is involved, but that in some cases, tenants were offered \$10-\$20,000 in cash to forfeit their rights and they took it. He also was agreeable to looking at the TAPP funding for its adequacy to meet the needs.

6.) Mr. Raul Rodriquez, Director of Housing and Community Action for the Central American Resource Center – CARACEN.

Mr. Rodriquez commended Mr. Jackson and DHCD for efforts to strengthen relationships with the Latino community and pointed to the Fair Housing Outreach and Educational Campaign, the Home Purchase Assistance Program (HPAP), the Tenant Apartment Purchase Assistance Program helping tenants to purchase their buildings, convert them and rehabilitate them for them as homeowners. Mr. Rodriquez thanked DHCD for the help that enabled CARECEN to assist over 1000 Latino and other low-income families who rent apartments in Columbia Heights, Petworth, Mount Pleasant and Shaw. He pointed in particular to DHCD assistance in tenant conversion and rehabilitation of 1460 Columbia Road NW. Seven of the nine apartment units will be affordable to low-moderate income Latino residents. Demolition has begun and eight buyers have been pre-qualified. He added his support for funding for the Housing Production Trust Fund to provide affordable housing for low income persons.

Response from Mr. Stanley Jackson, Director:

Mr. Jackson stated his pleasure in seeing the tenant purchase projects come about and expressed his continued support.

7.) Mr. Donald G. Murray, Jr., Past Chair, Pennsylvania Avenue Revitalization Task Force

Mr. Murray endorsed DHCD's funding priorities as laid out in the Action Plan—retaining and producing affordable housing units, increasing homeownership opportunities for all District residents, and fostering local neighborhood economic development.

He described the Task Forces' work to develop a comprehensive and sustainable plan to beautify and revitalize Pennsylvania Ave., SE from the Sousa Bridge to Southern Ave., SE. Now that the planning and design phase are completed, Mr. Murray calls upon the city to commit funds: for commercial property acquisitions along the Avenue from Sousa Bridge to 28th St; to ensure that the CIH Homes and MHCDO stay with the plan to build new town homes at Penna./Minnesota Avenues; to build new mixed income homes in Fairlawn, and to join with Ward 7 churches to build housing facilities for senior adults who want to remain in the community. The Task Force is looking forward to seeing retail and commercial ground breakings and openings in Ward 7 soon.

Response from Mr. Stanley Jackson, Director:

Mr. Jackson indicated DHCD's continuing support for revitalizing the E Washington Gateway and for revitalization in Ward 7 and along the Pennsylvania Avenue corridor.

Mr. Jackson called for any other audience members who wished to come forward to testify. Hearing none, Mr. Jackson thanked those who attended and concluded the hearing at 8:00PM.

Persons Registered in Advance to Testify:

Gail Chow and Steve Counts, The Green Door
Sinclair Skinner, Commissioner SNC 1B09
Marc Hyman, Citizen

Willie Cunningham, Citizen
Sue Cheng, Housing Counseling Services
Micheal Wallach, Anacostia Economic Development Corporation
William Stokes, Carver Terrace Tenant & Civic Assn.
Elinor Hart, Mt. Pleasant Main Street
Mary Jackson, Commissioner ANC 7E04
Raul Rodriquez, Central American Resource Center
Robert Pohlman, Executive Director, Coalition for Non-Profit Housing and Economic
Development
Cardell Shelton, Community Activist
Registered on Site:
Mr. Donald G. Murray, Jr., Pennsylvania Avenue Revitalization Task Force

**DHCD Response to Community Participation and to Citizen Comments
From the November 2003, Needs Hearings and March 10th Budget Hearing**

The Department Director and senior staff members attend the public hearings on the Consolidated Action Plan, respond directly to citizen comments and take referral for further information.

Throughout the Needs Hearing Process and in the Budget Hearing for the '2005 Consolidated Action Plan, there were no citizen comments with which the Department was in direct disagreement. Rather, the Director and senior staff accepted recommendations within the scope of DHCD programs and funding available, referred citizens to existing DHCD programs or to the public competitive process for selecting projects for '05 funding and encouraged those attending to prepare or to have prepared specific proposals for funding.

Where a comment addressed actions not within the purview of the Department of Housing and Community Development, e.g. housing code enforcement or public housing or "Main Streets", staff was on hand at the hearings to provide referral names and phone numbers at the appropriate agency (DCRA, DCHA or Office of the Deputy Mayor for Planning and Economic Development).

If a suggestion was made that ran counter to HUD program requirements, for example, the recommendation to fund operations for a CDC, the participant was informed about the specific HUD funding requirement and/or prohibition. When a participant proposed support or funding for their specific organization, program or business, they were referred to the competitive funding process and/or to provide written information on their ideas for DHCD response. (No follow-up correspondence of this nature was received.) DHCD encouraged all those presenting ideas or suggestions, even if they did not fit directly into the plan as drafted, to participate in the competitive process with their proposals.

In general, DHCD has incorporated the recommendations from its citizens into its plans and has focused its funding process on supporting their recommendations within resources. The FY 2005 Action Plan contains funding and initiatives to address these concerns: There is funding provided for:

- Conversion of rental to ownership units,
- Housing counseling for tenants, for Section 8 tenants and for homeowners,
- Projects that address senior, special needs and family-unit housing,
- Assistance to small businesses through CDCs or other community-based organizations,
- Increased subsidies and targeting in its HAP first-time homeowner loan program,
- Monitoring and addressing emerging needs as well as established priorities,
- Targeting minority populations, especially Latino and Asian groups with Fair Housing and program information and assistance,
- Leveraging all funding sources (federal/local) to maximize supply through rehabilitation or construction of single/multi-family affordable units and to include options for extremely low, very low, low and moderate-income residents,
- Supporting development of community and commercial facilities that contribute to the overall quality of life within a neighborhood, and
- Continuing to target neighborhoods identified through citizen participation processes.

Since, DHCD conducts vigorous, on-going community consultation, there is a level of understanding among housing providers, stakeholders, community organizations and interested citizens on the resources and constraints. DHCD makes on-going efforts to explain its priorities, programs and sources of funding and to meet the various needs that are competing for funding. DHCD will continue its consultation and outreach to include its diverse population and interest groups.